

Bajool Yeppoon Mount Morgan Nerimbera Upper Ullam Emu Park Str  
Oil Parkhurst Marmor Keppel Sands Moongan Norman Gardens Grac  
Cawarral Walmul Kawana Bouldercombe Joskeleigh Walter Hall We  
Stanwell Coowonga Baree Park Avenue Kabra Nerimberra Wandal Ka  
Glenlee Lakes Creek Dalma Glendale Mount Archer Gogango Rockyv  
Frenchville Westwood Yaamba Berserker Garnant Milman Koongal R  
Marlborough Depot Hill Alton Downs Ogmores The Range Wycarba  
Stanage Port Cutis Port Alma Stockyard Point Allenstown Midgee  
Bushley Bangalee Pink Lilly The Caves South Yaamba Great Keppel  
Mt Chalmers Morinish Causeway Lake Glenroy Kinka Beach Olive Es  
Lammermoor Zilzie Mulambin Beach Cooe Bay Roslyn Bay Tanby B  
Yeppoon Nerimbera Parkhurst Marmor Keppel Sands Moongan Norm  
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Archer Gogango Rockyview Frenchville Westwood Yaamba Berserker  
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Rockhampton Regional Council

# Annual Report 2008-09





*Mount Morgan High School, Mount Morgan*



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# Mayor's Report

It has been an eventful 15 months of challenges, changes and consolidation for the Rockhampton Region.

The communities of Rockhampton, Capricorn Coast, Gracemere and Mount Morgan joined together on 15 March 2008 and elected the first Rockhampton Regional Council – one team serving one region for better services and facilities.

This is the first full financial year Annual Report of Rockhampton Regional Council, sharing with you a complete picture of our activities and accomplishments from changeover date 15 March 2008 to 30 June 2009.

It showcases the enormous changes that have taken place as four disparate Local Governments merged to form one Regional Council to better serve our regional community.

We have matured as a new regional Council and have worked hard to provide the framework for an organisational environment of productivity improvements and efficiency gains; a business environment of investor confidence; and a lifestyle environment of inclusive and liveable communities.

We have demonstrated our commitment to developing a long term financial strategy and a long term capital works program. We reduced our deficit and increased our investment in infrastructure. We have identified key infrastructure priorities, committed to bringing together four Strategic Plans into one, and have committed to the development of a Whole of Region Plan to drive planning for our communities into the future. The operation of our commercial business enterprises has continued to grow, including the Rockhampton Airport which continues to generate increased passenger numbers.

I am particularly proud of the outstanding work done by Council staff and the Community Working Group in achieving the standardisation of Council's rating system. Bringing the four predecessor Councils' processes together was an incredibly complex process and, together with standardising our service fees and charges, represents a lot of hard work and a truly significant achievement for our Region.

I am pleased to present this Annual Report, showcasing the actions we have taken as we work towards fulfilling our vision of making the Rockhampton Region the most liveable community in the world – now and into the future.

*"We work towards fulfilling our vision of making the Rockhampton Region the most liveable community in the world - now and into the future."*



**Cr Brad Carter**

**Mayor  
Rockhampton Regional Council**

*“Reaching the finals in the International Awards for Liveable Communities, a major State Library of the Year Award and the two Australian Institute of Management Professional Management Awards out of three available in Central Queensland suggests that we are well and truly on the right track...”*

The past financial year represented the first full year of the new Rockhampton Regional Council. Whilst for many in the community the challenges have not been well understood, staff have, in many areas of the business of Council contributed an enormous effort to get the organisation function to a high level of service delivery in a relatively short period of time.

In our first year we have successfully implemented a new structure, introduced stronger financial discipline than any of the predecessor organisations with a long term financial strategy, have commenced a whole of business asset management program, undertaken major assessment development, implemented new planning arrangements to speed up the effective development assessment process across the whole business arena and implemented an innovative leadership development program to train our future organisational leaders to drive our business forward.

All of this has been carried out whilst trying to balance as strong a level of service as resources have allowed. Staff have largely had to work both on day to day business while also being engaged in the enormous task of rebuilding a new organisation, including every process, every business rule and service level imaginable.

Whilst we are not yet anywhere near complete in this exercise, we have made an enormous start and for that I am grateful to staff for both their ongoing commitment and efforts. Without that, we would not be as far progressed as we are today.

Our reaching the finals in the International Awards for Liveable Communities, a major State Library of the Year Award and the two Australian Institute of Management Professional Management Awards out of three available in Central Queensland suggests that we are well and truly on the right track to building a new organisation which will ensure our community becomes the most liveable community in the world.

The major contribution of staff across the business in a time of uncertainty is inspiring and a major benefit of the organisation. In the future, as we focus on improving customer service and making it the hallmark of our organisation, it will be the overall commitment of our staff and dedication of our Councillors which will ensure this comes to fruition within the next couple of years.



**Alastair Dawson**  
Chief Executive Officer  
Rockhampton Regional Council



# Highlights from the Past 12 Months

## Migration of Information Technology Systems

Rockhampton Regional Council was one of the first amalgamated Councils in Queensland to undertake a complete business systems migration which went live from 1 July 2008.

The migration was a major operation which involved introducing consistent computer systems and applications for staff use, across four primary Council locations. Council now has an integrated base from which to record and respond to Council business and customer transactions.

## Rates Levying

Council introduced standardised rating categories for 2009/2010. Bringing the four former Councils' rating systems together was an incredibly complex process; however Council considered the need for distributing rates responsibility across the entire Region.

## Infrastructure Priorities

Infrastructure priorities were identified by Council which include the Gracemere-Stanwell Overpass, the Bruce Highway Deviation and new infrastructure to secure Central Queensland Region water supplies. These projects are critical to our Region as the proposed infrastructure will establish transport networks, water storages and industrial corridors, vital for both our Central Queensland community and for continued economic growth in Queensland.

## Waste Facility Fee Changes

The Waste and Recycling (W&R) Section has reviewed fees at the Region's waste facilities to determine a fee that reflects the actual costs of waste disposal. The W&R section is operating as a commercial business which means that it is required to charge fees that will cover the full cost of operating facilities and disposing of the Region's waste. A communication plan was implemented to ensure public awareness and education regarding the Waste Management Facilities Fee change.

## Recycling Roll Out to the Rockhampton Region

Residents of Rockhampton and Gracemere received a yellow lidded recycling bin as an upgrade of the former bag recycling system. A comprehensive educational awareness program supported the roll out of the kerbside recycling bins, new collection vehicles were purchased and all of the collection routes were redesigned to achieve efficiencies in kerbside collection.

Rockhampton Regional Council's Waste & Recycling Services is now working towards expanding its kerbside recycling wheelie bin collection with the future roll out of recycling bins to residents who currently have a kerbside general waste collection. Residents of the Rockhampton Region who currently receive a general waste kerbside collection should in the future receive a kerbside recycling collection as well.



*Thozet Road, Rockhampton*



# Highlights from the Past 12 Months



## Rockhampton to Yeppoon Pipeline

The previous Livingstone Shire Council negotiated with the Australian Government and the Queensland Government (the then Department of Natural Resources and Water) and approval was given for that Council to pipe water from the then Rockhampton City Council's infrastructure via a pipeline from Rockhampton to Yeppoon.

This project was estimated to cost \$49.4 million and was to be jointly funded by the Australian Government Queensland Government and Livingstone Shire Council.

Post amalgamation, Rockhampton Regional Council assumed responsibility for the pipeline and as at 30 June 2009, the project was well underway with the laying of the final pipe work that connects the Rockhampton and Yeppoon water supply service days away. The project is within the projected budget scope and on track for full operation in early March 2010.

## 2008 Tidy Towns Award

Rockhampton was awarded the Ergon Energy 2008 CQ Regional Tidy Town Award for the second consecutive year, ahead of 23 other contenders from the Central Queensland Region.

The Region was also awarded for the following:

- Rockhampton – Grundfos Pumps Queensland's Sustainable City
- Stanage Bay – Australia Post Bush Spirit Award
- Yeppoon – Do the Right Thing Resource Recovery Award sponsored by the Packaging Stewardship Forum
- Emu Park – OneSteel Recycling Partnerships Award
- James Fleming from Emu Park State School – MINT Individual Outstanding Accomplishment Award (awarded at the regional level only).

The Region was judged on environmental innovation and protection, visitor hospitality, cultural and natural heritage preservation, resource management, youth initiatives, and community action and partnerships as well as tidiness and litter abatement.

## Indigenous and South Sea Islander Employment Policy

Committed to creating a safe, harmonious and discrimination-free workplace, Council adopted a new Indigenous and South Sea Islander Employment Policy as part of our approach to having responsible HR practices that cater for our whole community.

This policy recognises the employment, training and cultural needs of Indigenous and South Sea Islanders in our communities. It will ensure there are no barriers that hinder the attraction, recruitment or career development of current and prospective employees.

## Council Leadership Program

Council implemented a leadership program in October 2008 to build and enhance the leadership capacity of the organisation. The program has involved approximately 56 managers from different management levels within Council. This ongoing program directly reflects on Council's corporate values, in particular Council's commitment to leadership value.

# Community Financial Report

For the period 15 March 2008 to 30 June 2009

Interpreting formally presented financial statements prepared in accordance with relevant accounting standards can often be a difficult process for all stakeholders. The aim of the Community Financial Report is to assist readers evaluate Council's financial performance and financial position without the need to interpret the financial statements comprising the Annual Financial Report. In this way the financial operations of Council can be clearly understood by members of our community and interested stakeholders.

Councils are driven by community service obligations rather than profit. It is Council's responsibility to provide residents with services such as roadworks, street lighting, stormwater drainage, water supply, sewerage and garbage collection and disposal. Therefore, ratepayers need to be satisfied that funds are being used wisely for the benefit of the community, now and for the future.

Council's Annual Financial Report is a record of our financial performance for the financial period 15 March 2008 to 28 June 2009 and is subject to independent audit to verify the accuracy of the reports, as well as the systems Council has in place to record financial transactions. The three primary reports are the Income Statement, the Balance Sheet, and the Cash Flow Statement.

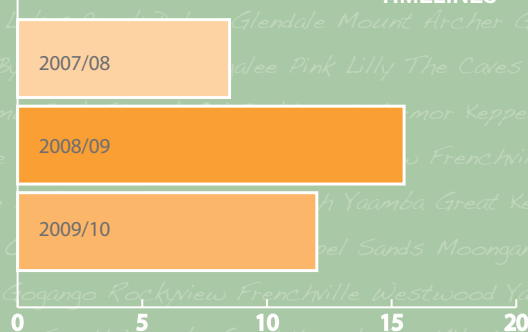
As a result of the State Government reform of Local Government in Queensland, the Rockhampton City Council and the adjoining Local Governments of Livingstone Shire Council, Fitzroy Shire Council, Mt Morgan Shire Council and the Rockhampton District Saleyards Board amalgamated on 14 March 2008 to form the Rockhampton Regional Council. The four Councils and the Rockhampton District Saleyards Board ceased to exist as of that date. Consequently, the 2008/09 financial period for Rockhampton Regional Council commenced on 15 March 2008 and concluded on 28 June 2009. It will therefore be difficult to compare results from one year to the next due to the fundamental difference in the reporting periods (see FIG.1), that is:-

2007/2008 Financial Period – 8 ½ months

2008/2009 Financial Period – 15 ½ months

2009/2010 Financial Period – 12 Months

**FIG.1**  
**TIMELINES**



## Income Statement

The Income Statement details total income and expenses, and the net result attributable to Council as a result of Council's activities for the financial period.

### Sources of Income – Where Our Money Comes From...

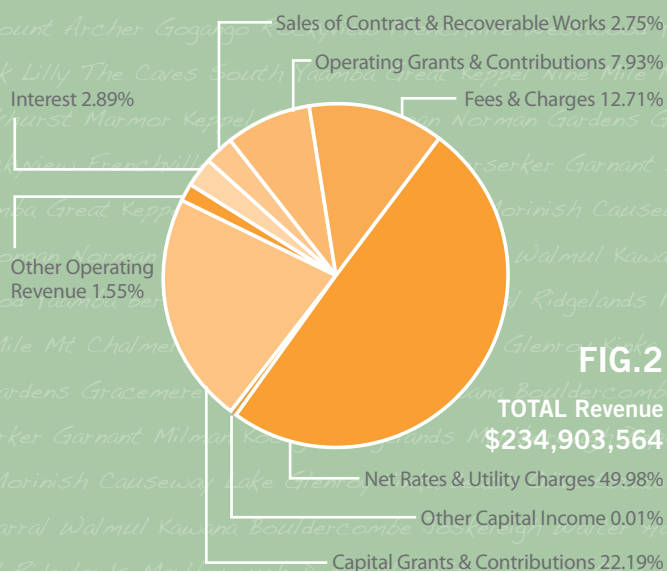
Council's total income from sources including fees and charges, recoverable works, grants, subsidies, contributions and donations in 2008/09 is much higher than the combined income of the predecessor Local Governments and Rockhampton District Saleyards Board for the 2007/08 financial period. As a result of amalgamation on 14 March 2008, the financial period for 2008/09 is in fact 15 ½ months and consequently total income is higher than the 2007/08 financial period (8 ½ months).

The net transfer of all assets, liabilities and equity of the four former Councils and the Rockhampton District Saleyards Board to Rockhampton Regional Council has been reported in the Income Statement by Rockhampton Regional Council in accordance with applicable accounting standards. As a consequence, this has greatly increased Council's reported total income in 2008/09. However, the amount stated for the 'Net gain on restructure of Local Government' (approximately \$1.8 billion) does not reflect a revenue source for Council.

To provide services to the community, Council must collect revenue. Rates and utility charges are Council's principal source of revenue and are normally in the vicinity of 70% of operating revenue each reporting period. However rates and utility charges in the 2008/09 financial period were only 50% of operating revenue, as only two rates levies were undertaken during the 15 ½ month financial period.

Council also charges fees to developers, undertakes private and recoverable works and receives funding in the form of grants and subsidies from both State and Federal Government, to help construct and maintain our extensive infrastructure.

A total of \$234,903,564 was raised in revenue during the financial period.



**FIG.2**  
**TOTAL Revenue**  
**\$234,903,564**



# Community Financial Report

For the period 15 March 2008 to 30 June 2009

## Operating Expenditure – Where Our Money Is Spent...

The three largest items of Council's expenditure are employee costs, materials and services, and depreciation and amortisation. The level of expenditure is constantly monitored via a rigorous budget process. Detailed estimates are prepared prior to the start of the financial year, and are then constantly monitored throughout the year to ensure that funds are utilised efficiently.

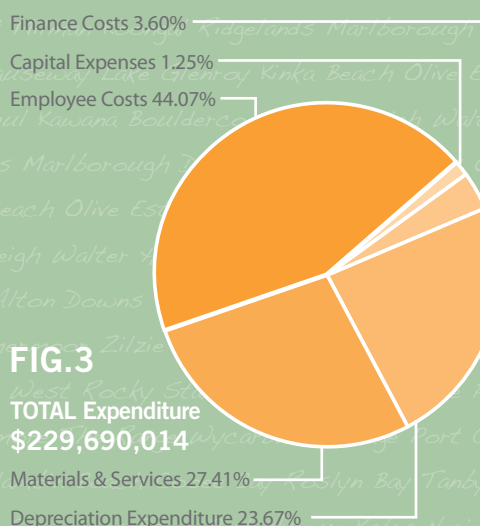
Council requires a large workforce to provide the many and diverse services to our community. We also need to plan and monitor the future of the Rockhampton Region in respect to developments, so that our lifestyle is not eroded.

Council spends considerable funds on materials and services to operate effectively. In accordance with Council's Purchasing Policy, we try to give preference to local businesses when work is tendered to external suppliers. As well as being a large employer in the community, it makes sound economic sense to keep our money circulating in the region for the benefit of all who live here.

Depreciation and amortisation is the periodic allocation of the consumption of property, plant and equipment and intangible assets over the assets' estimated life. Through the accurate calculation and allocation of depreciation and amortisation, we are confident that we will have the necessary funds to renew our existing assets.

Council's depreciation and amortisation expenses have increased due to Council undertaking revaluations on some of its asset categories last period, providing Council with even more accurate data to calculate depreciation charges.

In reviewing the total expenditure of Council this period to last, it can be seen that total expenditure is higher than last period and all expenditures have increased. This has come about due to the timing of the amalgamation date and the 15 ½ month financial period. (See FIG.3)



## Net Result Attributable to Council

The Net Result Attributable to Council is the difference between Total Income and Total Expenses and measures the change in operating capability. The Net Result includes \$52.1 million of non-operating (capital) revenue restricted for capital purposes. Capital revenue fluctuates each year and is dependent on the value of assets contributed by developers and government grants for capital works projects.

Council achieved a net surplus of \$5.2 million for the 2008/09 financial period (after deducting the impact of the gain on restructure of Local Government). This result enables funds to be set aside in reserves for future requirements such as capital expenditure on infrastructure and community facilities as well as debt reduction.

## Balance Sheet

The Balance Sheet lists Council's assets and liabilities. The result of these two components determines the net worth of Council.

## What Do We Own?

Council controls a variety of current and non-current assets of which 92% is attributed to Property, Plant & Equipment assets. This is a significant investment for the community and requires astute management to ensure the level of service provided by these assets is maintained. (See FIG.4)

Total assets are \$2.3 billion as at 28 June 2009. Total assets have increased substantially when compared to last period. This increase is primarily attributed to the revaluation of all non-current asset categories with the exception of Plant and Equipment.

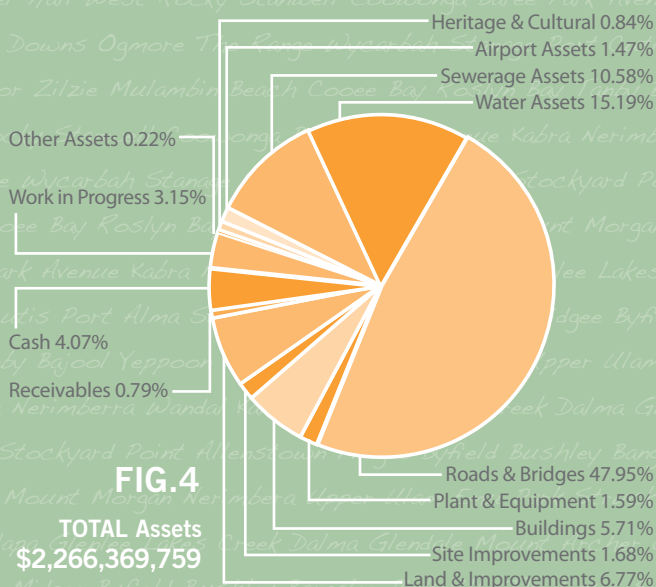
## Capital Works

The increase in Property, Plant and Equipment assets is also a result of sound asset management practices directing funding towards new assets and the renewal of existing infrastructure assets. These capital assets were funded from surplus funds, grants/subsidies, loans and reserves.

Capital works undertaken for the period totalled \$125.7 million.

Significant projects undertaken in 2008/2009 were:

- The completion of the South Rockhampton Library
- The installation of weigh bridge at the Rockhampton landfill
- Replacement of the regions' water mains in a number of separate locations
- The construction of the Rockhampton to Yeppoon Pipeline



# Community Financial Report

For the period 15 March 2008 to 30 June 2009

## What Do We Owe?

Council's borrowings increased by \$41.1 million during 2008/09. This increase is due to Council drawing down loans on two occasions during the 15 ½ month period, whereas no loan funds were drawn down during the 2007/08 financial period. The level of Council's long-term debt is regularly reviewed as a component of the Financial Strategic Plan.

Interest expense on all loans, totalled 4.21% of total operating income. (See FIG.5)

Total liabilities of \$163.1 million at 28 June 2009 include an increase of \$46.9 million over the previous period. This increase is primarily attributed to Council drawing down on loans twice during the 15 month financial period as mentioned above.

## How Healthy is Council's Liquidity?

An important indication in determining the financial health of the Council is to measure its ability to meet financial commitments when they fall due.

This indicator is commonly known as the working capital ratio and examines the value between short term assets and liabilities.

A ratio of better than 2:1 reflects a strong ability to maintain strong cash flows and hence meet future commitments.

Council has increased its working capital ratio from 3.0:1 at the 14 March 2008 to 3.5:1 at 28 June 2009. (See FIG.6)

## Statement of Changes in Equity

This statement demonstrates the movements between the differing elements of equity which is the net wealth of the Community.

## What Are We Worth?

Community Equity is equal to Assets less Liabilities and is represented by Retained Surplus, Asset Revaluation Reserve and Other Reserves. Total Community Equity at 28 June 2009 is \$2.1 billion.

Council continues to be in a strong financial position. It is holding a good reserve of cash, has substantial equity in its assets, and maintains debt at manageable levels.

The healthy financial position of Council combined with sound budgeting and forward planning, provides capacity for Council to meet its objectives as well as provide a large degree of flexibility if strategic directions change.

## Cash Flow Statement

The Cash Flow Statement reports the cash flows in and out of Council for the financial period. The statement is useful in assisting readers to assess Council's sources and uses of cash, and ensuring that Council has the capacity to meet all of its financial commitments. The cash flows are classified into operating, investing, and financing activities.

Council pools and invests funds throughout the year in low-risk short-term investments in accordance with Council's investment policy. The interest earned from investments for the 2008/09 financial period was \$6,258,228. In the 2007/08 financial period total interest earned on investments was \$4,378,621. The increase in interest earned is primarily due to the fact that the 2008/09 financial period was 15 ½ months.

## Looking to the Future

Council is well placed to provide the necessary financial resources to address the land use, natural resource, environmental, economic and social challenges associated with the developing growth across the region.

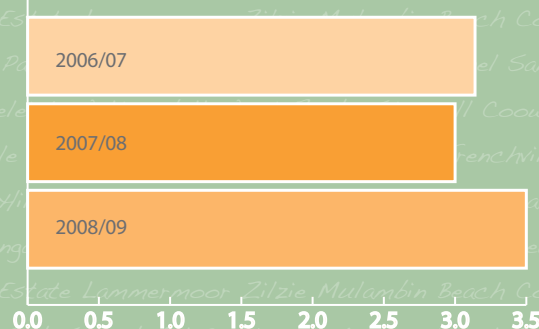
Rockhampton Regional Council will continue to build on its management of infrastructure assets. This will permit more informed decisions about renewal and replacement of assets and associated funding.

The improvements to Council's asset management information will have a significant impact upon the way in which Council manages its assets and funds their replacement.

Rockhampton Regional Council aims to continue to maintain its strong financial base through the prudent use of annual rates collection, grants and subsidies, developer's contributions, borrowings and the use of specific cash reserves. On-going long term cash flow planning, sound budgeting and extensive financial strategic planning will assist Council greatly in achieving its objectives. This forward planning focus will put the Council in the best position possible to achieve the effective and efficient delivery of services to the community.



FIG.6  
WORKING Capital Ratio







Rockhampton Library, Rockhampton

# Income Statement

For the period 15 March 2008 to 30 June 2009

	Note	15 March 2008 - 28 June 2009
		\$
<b>Income</b>		
<b>Revenue</b>		
<b>Recurrent Revenue</b>		
Net rates and utility charges	4	117,394,391
Fees and charges	4	29,855,445
Interest received	4	6,786,529
Sales of contract and recoverable works	4	6,457,860
Other recurrent income	4	3,634,365
Grants, subsidies and contributions	5	18,626,528
<b>Total recurrent revenue</b>		<b>182,755,118</b>
<b>Capital Revenue</b>		
Grants, subsidies and contributions	5	52,136,557
<b>Total revenue</b>		<b>234,891,675</b>
Capital income	6	11,889
<b>Total income before gain on restructure of Local Government</b>		<b>234,903,564</b>
Net gain on restructure of Local Government	7	1,812,479,671
<b>Total income</b>		<b>2,047,383,235</b>
<b>Expenses</b>		
<b>Recurrent Expenses</b>		
Employee benefits	8	(101,215,537)
Materials and services	9	(62,962,361)
Finance costs	10	(8,277,344)
Depreciation and amortisation	11	(54,358,409)
<b>Total recurrent expenses</b>		<b>(226,813,651)</b>
<b>Capital Expenses</b>		
Loss on write off of non-current assets	17	(2,876,363)
<b>Total expenses</b>		<b>(229,690,014)</b>
<b>Net result attributable to Council</b>		<b>1,817,693,221</b>

The above statement should be read in conjunction with the accompanying notes including the summary of significant accounting policies.



# Balance Sheet

as at 28 June 2009

	Note	28 June 2009
		\$
<b>Current Assets</b>		
Cash and cash equivalents	12	92,259,468
Trade and other receivables	13	17,861,559
Inventories	14	2,488,139
Other financial assets	15	1,244,901
<b>Total current assets</b>		<b>113,854,067</b>
<b>Non-current Assets</b>		
Property, plant and equipment	17	2,079,960,131
Capital works in progress	18	71,313,680
Intangible assets	19	1,241,881
<b>Total non-current assets</b>		<b>2,152,515,692</b>
<b>Total assets</b>		<b>2,266,369,759</b>
<b>Current Liabilities</b>		
Trade and other payables	20	20,352,059
Provisions	21	1,654,621
Borrowings	22	10,616,842
<b>Total current liabilities</b>		<b>32,623,522</b>
<b>Non-current Liabilities</b>		
Trade and other payables	20	4,203,614
Provisions	21	12,136,440
Borrowings	22	114,116,057
<b>Total non-current liabilities</b>		<b>130,456,111</b>
<b>Total liabilities</b>		<b>163,079,633</b>
<b>Net community assets</b>		<b>2,103,290,126</b>
<b>Community Equity</b>		
Retained surplus	23	1,743,406,118
Asset revaluation reserve	24	285,596,905
Other reserves	25	74,287,103
<b>Total community equity</b>		<b>2,103,290,126</b>

The above statement should be read in conjunction with the accompanying notes including the summary of significant accounting policies.

# Cash Flow Statement

For the period 15 March 2008 to 30 June 2009

	Note	15 March 2008 - 28 June 2009
		\$
<b>Cash Flows From Operating Activities</b>		
<b>Receipts</b>		
General rates and utility charges		128,325,868
Rental and levies, fees and charges		33,549,306
Grants, subsidies and contributions		18,626,528
Interest received		6,809,550
Other income		3,994,203
GST received		27,794,554
<b>Payments</b>		
Payments to suppliers		(60,458,163)
Payment to employees		(98,402,517)
Interest paid		(7,693,800)
GST paid		(28,363,740)
<b>Net cash inflow from operating activities</b>	<b>31</b>	<b>24,181,789</b>
<b>Cash Flows From Investing Activities</b>		
Grants, subsidies and contributions for capital acquisitions:	5	
Government subsidies and grants		35,609,243
Capital contributions		8,424,834
Payments for property, plant and equipment		(117,556,543)
Payments for intangible assets		(662,818)
Payments for investment property		(8,234)
Proceeds from sale of investment property	6	597,727
Proceeds from sale of property, plant and equipment	6	2,977,510
Net movement in loans and advances		8,054
<b>Net cash outflow from investing activities</b>		<b>(70,610,227)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from borrowings	22	50,834,116
Repayment of borrowings	22	(9,703,558)
<b>Net cash inflow from financing activities</b>		<b>41,130,558</b>
Net decrease in cash held		(5,297,880)
Cash transferred on the restructure of Local Government	7	97,557,348
<b>Cash at end of reporting period</b>	<b>12</b>	<b>92,259,468</b>

The above statement should be read in conjunction with the accompanying notes including the summary of significant accounting policies.



## Statement of Changes in Equity

**For the period 15 March 2008 to 30 June 2009**

	28 June 2009 \$	28 June 2009 \$	28 June 2009 \$	28 June 2009 \$
	Total	Retained surplus  Note 23	Asset revaluation reserve  Note 24	Other reserves  Note 25
<b>Opening Balance</b>				
Revaluations of property, plant & equipment	285,707,745	-	285,707,745	-
Change in the value of future rehabilitation cost	(110,840)	-	(110,840)	-
Net income recognised directly in equity	285,596,905	-	285,596,905	-
Surplus for the period	1,817,693,221	1,817,693,221	-	-
Total recognised income and expense	2,103,290,126	1,817,693,221	285,596,905	-
<b>Transfers to and from Reserves</b>				
Transfers to other reserves	-	(121,462,361)	-	121,462,361
Transfers from other reserves	-	47,175,258	-	(47,175,258)
Total transfers to and from reserves	-	(74,287,103)	-	74,287,103
<b>Balance at 28 June 2009</b>	<b>2,103,290,126</b>	<b>1,743,406,118</b>	<b>285,596,905</b>	<b>74,287,103</b>

The above statement should be read in conjunction with the accompanying notes including the summary of significant accounting policies.

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 1 Basis of Preparation

### 1.01 General

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and complies with the requirements of the *Local Government Act 1993*, the Local Government Reform Implementation Regulation 2008 and the Queensland Local Government Finance Standard 2005.

The Local Government Reform Commission report to the Minister for Local Government, Planning and Sport on 27 July 2007 recommended that the former Rockhampton City, Livingstone Shire, Fitzroy Shire, Mount Morgan Shire Councils and Rockhampton District Saleyards Board be amalgamated to form the Rockhampton Regional Council. Pursuant to Part 1B of the *Local Government Act 1993* and in accordance with the Local Government Reform Implementation Regulation 2008, the Rockhampton Regional Council was formed on 15 March 2008.

The Local Government Reform Implementation Regulation 2008 and the Local Government Reform Implementation (Transferring Areas) Amendment Regulation (No.1) 2008 transferred the assets and liabilities of the former Councils to the Rockhampton Regional Council as at changeover date.

Pursuant to section 159YQ of the *Local Government Act 1993* and sections 26 and 35 of the Local Government Reform Implementation Regulation 2008, financial statements have been prepared for the period starting on 15 March 2008 and ending on 28 June 2009.

Assets and liabilities of the former Councils have been recognised by Rockhampton Regional Council on 15 March 2008 at the previous book values of the transferor Local Governments. This is shown as income in the Income Statement and details are disclosed in Note 7.

Rockhampton Regional Council adopted consistent accounting policies from its commencement date of 15 March 2008. In some cases, this resulted in adjustments to the measurement of assets and liabilities transferred from former Councils as at 15 March 2008. These accounting policy alignment adjustments are shown in the Income Statement and details are disclosed in Note 7.

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). As the Council is a not-for-profit entity and the Australian accounting standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied this report does not comply with IFRS. The main impacts are in the offsetting of revaluation and impairment gains and losses within a class of assets and the recognition of assets and liabilities of the former Councils at the amounts at which they were recognised by the transferor Local Governments.

This financial report has been prepared under the historical cost convention except for the revaluation of certain non-current assets.

### 1.02 Adoption of New Accounting Standards

The following Australian Accounting Standards amendments to standards and interpretations, issued on the dates shown, are not mandatory for the period ending 28 June 2009 but, as permitted, have been applied in preparing this report where applicable.

- AASB 1004 Contributions (December 2007)
- AASB 1051 Land Under Roads (December 2007)
- AASB 1052 Disaggregated Disclosures (December 2007)
- AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AAS27, AAS29 and AAS31
- AASB Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities.

The following Australian Accounting Standards, issued on the dates shown, are not mandatory for the period ending 28 June 2009 and have not been applied.

- AASB3 Business Combinations (March 2008)
- AASB8 Operating Segments (Feb 2007)
- AASB101 Presentation of Financial Statements (September 2007)
- AASB123 Borrowing Costs (June 2007)
- AASB127 Consolidated and Separate Financial Statements (March 2008)
- AASB 1039 Concise Financial Reports (August 2008)
- AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB8 (February 2007)
- AASB2007-6 Amendments to Australian Accounting Standards arising from AASB123 (June 2007)
- AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB101 (September 2007)
- AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB101
- AASB 2008-1 Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations (February 2008)
- AASB2008-2 Amendments to Accounting Standards - Puttable Financial Instruments and Obligations arising on Liquidation (March 2008)
- AASB2008-3 Amendments to Accounting Standards arising from AASB3 and AASB127 (March 2008)
- AASB2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008)
- AASB2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project
- AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (July 2008)
- AASB2008-8 Amendments to Australian Accounting Standards - Eligible Hedged Items [AASB 139] (August 2008)
- AASB 2008-9 Amendments to AASB 1049 for Consistency with AASB 101 (September 2008)
- AASB 2008-11 Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities [AASB 3] (November 2008)
- AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners (December 2008) [AASB 5 & AASB 110]
- Interpretation 15 - Agreements for the Construction of Real Estate (August 2008)
- Interpretation 16 - Hedges of a Net Investment in a Foreign Operation (August 2008)
- Interpretation 17 - Distributions of Non-cash Assets to Owners (December 2008)



# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

It is not expected that the new standards would have made a substantial difference to the results if they had applied to this accounting period. Most of the changes are matters of presentation.

## 1.03 Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. Estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

The estimates and assumptions that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year are referred to in the appropriate notes to the financial statements.

## 1.04 Currency

The Council uses the Australian Dollar as its functional currency and its presentation currency.

## 1.05 The Reporting Entity

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the Council and the entities that it controls, where these entities are material.

The following entities are not consolidated with the Council's financial statements as the transactions and balances are not material to the Council's operations.

### ***Rockele Pty Ltd***

Rockhampton Regional Council owns 100% of the issued share capital (\$40,000) of Rockele Pty Ltd. Rockele Pty Ltd was incorporated in Australia in 1996/97 and has been dormant since 2004.

No separate financial statements have been prepared for Rockele Pty Ltd due to its dormant status. Its share capital of \$40,000 is represented by a receivable from Rockhampton Regional Council of \$40,000. There have been no transaction between Council and Rockele Pty Ltd during the period.

	2009	2008
Revenue	-	-
Expenses	-	-
Net Surplus	-	-
Assets	40,000	40,000
Liabilities	-	-
<b>Net Assets</b>	<b>40,000</b>	<b>40,000</b>

### ***The Rockhampton Art Gallery Trust***

The Rockhampton Art Gallery Trust fund is applied for charitable purposes with the primary object of acquiring objects of art for inclusion in the Collection and the enhancement of the Art Gallery as a regional art gallery holding significant works of art for the benefit of the residents of Central Queensland. All art acquisitions purchased by The Rockhampton Art Gallery Trust

are donated to the Rockhampton Regional Council Art Gallery and become heritage and cultural assets of the Council.

The Rockhampton Art Gallery Trust's operations are audited by the Auditor-General of Queensland.

	2009	2008
Receipts	22,786	43,772
Disbursements	122,389	58,908
Net Surplus	99,603	15,136
Assets	132,049	231,652
Liabilities	-	-
<b>Net Assets</b>	<b>132,049</b>	<b>231,652</b>

## 1.06 Constitution

The Rockhampton Regional Council is constituted under the Queensland *Local Government Act 1993* and is domiciled in Australia.

## 1.07 Date of Authorisation

The financial report was authorised for issue on the date it was submitted to the Auditors for final signature. This is the date the management certificate is signed.

The Local Government has the power to amend the Financial Report after it is authorised for issue until the adoption of the report by the Local Government as part of the Annual Report.

## 2 Summary of Significant Accounting Policies

### 2.01 Changes to Accounting Policies, Estimates and Errors

Unless otherwise stated, accounting policies have been consistently applied throughout the period.

### 2.02 Financial Assets and Financial Liabilities

#### ***Categorisation***

Rockhampton Regional Council has categorised the financial assets and financial liabilities held at balance date as follows:

Financial Assets	Categorisation
<b>Cash</b>	
Shares	Financial assets available for sale (at cost)
Receivables	Loans and receivables (at amortised cost)
Other financial assets	Financial assets available for sale (at cost)
<b>Financial Liabilities</b>	
Payables	Financial liability (at cost)
Borrowings	Financial liability (at amortised cost)

Financial assets and financial liabilities are presented separately from each other, offsetting has not been applied.

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

The fair value of financial assets and liabilities must be estimated for recognition and measurement and for disclosure purposes.

The fair value of financial assets and liabilities is determined as follows:

- The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximate their carrying amounts and are not disclosed separately.
- The fair value of borrowings, as disclosed in note 22 to the accounts, is determined by reference to published price quotations in an active market and/or by reference to pricing models and valuation techniques. It reflects the value of the debt if the Council repaid it in full at balance date. As it is the intention of the Council to hold its borrowings for their full term, no adjustment provision is made in these accounts.
- The fair value of trade receivables and payables are assumed to approximate their nominal value less estimated credit adjustments.
- The fair value of prepayments is represented by the book value as the period of time to consumption is short and there are no rates involved in the calculation, therefore they are not disclosed separately.

## 2.03 Rates, Grants and Other Revenue

Rates, grants and other revenue are recognised as revenue on receipt of funds or earlier unconditional entitlement to the funds.

- Rates**  
Where rate monies are received prior to the commencement of the rating period, the amount is recognised as revenue in the period in which they are received.
- Grants and Subsidies**  
Where the Council has an obligation to use a grant or subsidy in a particular manner the amount is recognised as revenue on receipt. An equivalent amount is placed in the constrained works reserve until the obligation is satisfied.
- Non-Cash Contributions**  
Non-cash contributions in excess of the recognition threshold values set out in note 2.12, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and as an expense.
- Other Revenue Including Contributions**  
Other revenue is recognised as a receivable when it is probable that it will be received and the amount is known, otherwise the amount is recognised upon receipt.

## 2.04 Cash and Cash Equivalents

For the purposes of the Balance Sheet and the Cash Flow Statement, cash and cash equivalents include all cash and cheques receipted but not banked as well as deposits at call with financial institutions. It also includes bank overdrafts and liquid investments with short periods to maturity that are readily convertible to cash at the Council's option without penalty and that are subject to a low risk of changes in value.

The Council considers all its term deposits, being for periods of less than 3 months to be cash equivalents.

## 2.05 Receivables

Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery, settlement on trade debtors being generally required within 30 days from the invoice date.

The collectability of receivables is assessed periodically with provision being made for impairment. All known bad debts are written-off at 28 June 2009.

## 2.06 Loans and Advances

Loans and advances are recognised in the same way as other receivables. Terms are usually a maximum of five years with interest charged at commercial rates. Security is not normally obtained.

## 2.07 Other Financial Assets

Other Financial Assets are recognised at cost.

## 2.08 Inventories

Inventories held for resale are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost.

Inventories held for distribution (goods to be supplied at no or nominal charge, or goods to be used for the provision of services at no or nominal charge) are valued at cost, adjusted when applicable for any loss of service potential.

## 2.09 Land Held for Resale

Land acquired with the intention of reselling it (with or without further development) is classified as inventory. As inventory, this land is valued at the lower of cost or net realisable value. Inventory items are always treated as current assets except where it is anticipated that the land will not be sold within 12 months. Land held beyond 12 months is reported as non-current inventory.

Profit arising upon sale of land is recognised in the Income Statement on the signing of a valid unconditional contract of sale.

## 2.10 Investments

Financial institution deposits at call and term deposits with a short maturity of three months or less are treated as cash equivalents.

Interest and dividend revenues are recognised on an accrual basis.

## 2.11 Investment Property

Investment property is property held for the primary purpose of earning rentals and/or capital appreciation.

Investment property is measured using the fair value model. This means it is initially recognised at cost including transaction costs. Where investment property is acquired at no or nominal cost it is recognised at fair value. Investment property transferred from the former Councils was initially recognised at the amount at which it was recognised by the former Councils as disclosed in Note 7. All investment property is subsequently revalued annually at the balance sheet date. Gains or losses arising from changes in the fair value of investment property are included in the income statement for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

Rental revenue from investment property is recognised as income on a periodic straight line basis over the lease term.

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 2.12 Property, Plant and Equipment

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment with a total value of less than \$5,000, and infrastructure assets and buildings with a total value of less than \$10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

### i Acquisition of Assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight, architect's fees and engineering design fees and all other establishment costs.

Non-monetary assets, including property, plant and equipment, received in the form of contributions and assets received in a Local Government restructure, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

### ii Capital and Operating Expenditure

Wages and materials expenditure incurred for the acquisition or construction of assets are treated as capital expenditure. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of the non-current asset is expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

### iii Valuation

Land, buildings, infrastructure and heritage and cultural assets are measured at fair value, in accordance with AASB116 Property, Plant and Equipment and the Local Government Finance Standard 2005. Major plant or equipment is plant or equipment that is considered to be of high value to Council and prone to a high degree of price fluctuation or in danger of becoming obsolete. There are no items which meet this criteria. All other non-current assets, principally all other items of plant and equipment, and intangibles, are measured at cost.

Non-current physical assets measured at fair value are revalued where required so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This revaluation may involve the application of a suitable index to the cost elements of each asset, or may involve an independent assessment of the value. Details of valuations are disclosed in Note 17.

Plant and equipment is measured at depreciated cost. The carrying amounts for plant and equipment measured at depreciated cost does not differ materially from their fair value.

### iv Depreciation

Land is not depreciated as it has an unlimited useful life. Heritage and Cultural assets are not depreciated. Depreciation on other property, plant and equipment is based on the pattern in which the asset's future economic benefits are expected to be consumed. This may vary from asset to asset, but where appropriate, is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use. Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Council.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to the Council or the unexpired period of the lease, whichever is the shorter.

The estimated useful lives of property, plant and equipment are reviewed annually. Details of the range of useful lives for each class of asset are shown in Note 17.

### v Unfunded Depreciation

The Council has elected not to fund depreciation expenses for assets that will not be replaced or where external funding sources other than loans will be obtained to fund their replacement. Depreciation is funded to the extent necessary to meet future replacement capital works unless insufficient revenue sources are available to meet those funding requirements.

### vi Land Under Roads

The Council does not control any land under roads. All land under the road network within the Council area has been dedicated and opened for public use under the Land Act 1994 or the Land Title Act 1994 and is not controlled by Council but is controlled by the State pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

## 2.13 Intangible Assets

Only intangible assets which have a cost exceeding \$10,000 are recognised as intangible assets.

Expenditure on internally generated intangible assets is recognised from the date of the approval by the Council of a capital expenditure authorisation for the acquisition or development of the asset. This approval indicates that the project meets the criteria for recognition in AASB138 Intangible Assets.

Expenditure on internally generated assets, up to the decision to generate the asset in a particular form, is research expenditure and is not capitalised.

It has been determined that there is not an active market for any of the Council's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses.

## 2.14 Capital Work in Progress

The cost of property, plant and equipment being constructed by the Council includes, where applicable, the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

## 2.15 Biological Assets

The Council operates a nursery to produce bedding plants and trees for its own use. In view of the immaterial nature of this operation the accounting procedures related to biological assets have not been applied. The costs incurred in this operation are included in Council's general operations as they are incurred.



# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 2.16 Impairment of Non-current Assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Income Statement, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation reserve of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

## 2.17 Leases

Leases of plant and equipment under which the Council assumes substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases. Other leases, where substantially all the risks and benefits remain with the lessor, are classified as operating leases.

### i Finance Leases

Finance leases are capitalised in that a lease asset and a liability equal to the fair value of the leased property (or the present value of the minimum lease payments, if lower) are recorded at the inception of the lease. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged as finance costs. The asset is accounted of on the same basis as other assets of the same class. Contingent rentals are written off as an expense in the accounting period in which they are incurred.

### ii Operating Leases

Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

## 2.18 Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

## 2.19 Liabilities - Employee Benefits

Employee benefits are accrued for such items as wages and salaries, annual leave, long service leave and vested sick

leave in respect of services provided by the employees up to the reporting date. Liabilities for employee entitlements are assessed at each reporting date. Where it is expected that the leave will be taken in the next twelve months the liability is treated as a current liability. Otherwise the liability is treated as non-current.

### i Salaries and Wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability is treated as a payable and not as a provision.

### ii Annual Leave

A liability for annual leave is recognised. The current portion is based on current wage and salary levels and includes related employee on-costs. The non-current portion is based on projected future wage and salary levels and related employee on-costs discounted to present values. This liability is treated as a payable and not as a provision.

### iii Sick Leave

A liability for sick leave is recognised for employee entitlements earned under arrangements that existed in prior years and is the amount Council has a present obligation to pay resulting from employees' services provided to the former Rockhampton City Council up to 31 December 1998 and former Mt Morgan Shire Council up to 2 December 1998. The current portion is based on current wage and salary levels and includes related employee on-costs. The non-current portion is based on projected future wage and salary levels and related employee on-costs discounted to present values

### iv Superannuation

The superannuation expense for the reporting period is the amount of the contribution the Local Government makes to the superannuation plan which provides benefits to its employees.

Details of those arrangements are set out in Note 29.

### v Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The interest rates attaching as at the reporting date to Commonwealth Government guaranteed securities, are used to discount the estimated future cash outflows to their present value. The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value.

## 2.20 Borrowings

Borrowing costs, which includes interest calculated using the effective interest method and administration fees, are expensed in the period in which they arise. Costs that are not settled in the period in which they arise are added to the carrying amount of the borrowing.

Borrowing costs are treated as an expense, as assets constructed by the Council are generally completed within one year and therefore are not considered to be qualifying assets.

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

## 2.21 Restoration Provision

A provision is made for the cost of restoration of assets and other future restoration costs where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of the facility. Details can be found in Note 21.

The provision is measured at the expected cost of the work required and discounted to present values using appropriate rates.

The interest rates attaching as at the reporting date, to Commonwealth Government guaranteed securities, are considered appropriate rates.

- i Restoration on land not controlled by Council  
Where the restoration site is on State reserves which the Council does not control, the cost of the provisions for restoration of these sites has to be treated as an expense in the year the provision is first recognised. Changes in the provision not arising from the passing of time are treated as an expense or income.
- ii Restoration on land controlled by Council  
Where the restoration site is on Council controlled land, the cost of the restoration provision is added to the cost of the land as an improvement and amortised over the expected useful life. Changes in the provision not arising from the passing of time are added to or deducted from the asset revaluation reserve for land. If there is no available reserve, increases in the provision are treated as an expense and recovered out of future decreases if any.  
Changes to the provision resulting from the passing of time are treated as a finance cost.

## 2.22 Asset Revaluation Reserve

The asset revaluation reserve comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in this reserve. Increases and decreases on revaluation are offset within a class of assets.

Where the value of a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation reserve in respect of that class. Any excess is treated as an expense.

## 2.23 Reserves Held for Future Capital Expenditure

These are cash backed reserves and represent funds that are accumulated within the Council to meet anticipated future capital assets needs. In each case the amount relates to a perceived future requirement which is not currently a liability.

### Unspent Capital Grants Reserve

This reserve consists of unspent grants and subsidies received for the development of infrastructure and other specified activities.

### Constrained Works Reserve

This reserve is credited with all grants, subsidies and contributions of monetary revenue received during the reported period and constrained for the purpose of funding specific capital expenditure. As the expenditure is incurred on specified capital assets the equivalent funds are transferred to the capital account. The closing balance reported at the period

end represents funds not yet expended and must be retained until expended in the manner specified by the contributor.

### Airport Development Reserve

This reserve was created to set aside funds for future Airport capital upgrades and expansion.

### Capital Works Reserve

This reserve was created to provide funds for the future replacement of assets.

### Plant Reserve

This reserve was created to provide funds for the future replacement of plant and equipment.

### Water Reserve

This reserve was created to provide funds for the future replacement of water infrastructure.

### Sewerage Reserve

This reserve was created to provide funds for the future replacement of sewerage infrastructure.

### Waste Management Reserve

This reserve was created to provide funds for the future replacement of waste assets.

## 2.24 Reserves Held for Funding Future Recurrent Expenditure

These are cash backed reserves and represent funds that are accumulated within the Council to meet anticipated future recurrent or operating expenditure needs. In each case the amount relates to a perceived future requirement which is not currently a liability.

### Asset Maintenance Reserve

This reserve was created to meet unexpected asset maintenance expenditure.

### Operating Projects Reserve

This reserve was created to set aside funds for specific recurrent expenditure, including unspent operational grants.

## 2.25 Retained Surplus

This represents that part of the Council's net funds not required to meet immediate requirements or to meet specific future needs.

## 2.26 National Competition Policy

The Council has reviewed its activities and has identified ten activities that are business activities. Details of these activities can be found in Note 34.

## 2.27 Rounding and Comparatives

Amounts included in the financial statements have been rounded to the nearest \$1. Comparative figures have not been provided as Rockhampton Regional Council commenced operation on 15 March 2008 and the financial statements cover the period 15 March 2008 to 28 June 2009.

## 2.28 Financial Risk Management

The Council minimises its exposure to financial risk in the following ways:

- Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia and are for a period of less than one year.

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

The Council does not invest in derivatives or other high risk investments.

When the Council borrows, it borrows from the Queensland Treasury Corporation unless another financial institution can offer a more beneficial rate, taking into account any risk Borrowing by the Council is constrained by the provisions of the Statutory Bodies Financial Arrangements Act 1982.

Details of financial instruments and the associated risks are shown at Note 33.

## 2.29 Judgements and Assumptions

The Council has made no judgements or assumptions which may cause a material adjustment to the carrying amounts of assets and liabilities following their transfer to Rockhampton Regional Council.

## 2.30 Trust Funds Held for Outside Parties

Funds held in the Trust Account on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the Trust Account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

The monies are disclosed in the notes to the financial statements for information purposes only.

## 2.31 Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax (20GST). The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

The controlled entity of the Council pays an income tax equivalent to the Council in accordance with the requirements of the *Local Government Act 1993*.

Where an activity of the controlled entity of the Council is subject to the National Tax Equivalents Regime, the income tax expense is calculated on the operating surplus adjusted for permanent differences between taxable and accounting income. These transactions are eliminated upon consolidation.

The Council pays Payroll Tax to the Queensland Government on certain activities.



# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 3 Analysis of Results by Function

(a) Revenue before gain on restructure, expenses and assets have been attributed to the following functions:

Functions	Income		Total income	Total expenses	Net result for period	Assets
	Grants	Other				
	2009 \$	2009 \$	2009 \$	2009 \$	2009 \$	2009 \$
Resourcing	10,021,725	66,319,101	76,340,826	(5,488,689)	81,829,515	223,503,748
Governance	645,738	141,771	787,509	9,759,226	(8,971,717)	-
Corporate Services	1,387,396	1,838,957	3,226,353	17,487,123	(14,260,770)	46,694,485
Planning Compliance & Environment	171,995	6,018,835	6,190,830	16,709,405	(10,518,575)	251,244
Infrastructure Services	17,764,278	2,537,228	20,301,506	47,411,790	(27,110,284)	1,217,063,844
Community & Customer Service	11,064,693	8,466,056	19,530,749	48,304,878	(28,774,129)	58,568,907
Business Enterprise	-	30,000	30,000	1,243,757	(1,213,757)	-
Airports	-	9,218,958	9,218,958	8,166,672	1,052,286	55,946,048
Saleyards	-	2,343,161	2,343,161	2,393,898	(50,737)	14,975,391
Waste & Recycling	-	12,987,982	12,987,982	17,756,502	(4,768,520)	16,240,842
Fitzroy River Water	29,707,261	54,238,429	83,945,690	65,945,452	18,000,238	633,125,250
<b>Total</b>	<b>70,763,086</b>	<b>164,140,478</b>	<b>234,903,564</b>	<b>229,690,014</b>	<b>5,213,550</b>	<b>2,266,369,759</b>

### Resourcing

Includes recognition and allocation of general rate and grant revenue as well as interest revenue and expense not allocated to business units.

### Governance

Incorporates the offices of the Mayor, Councillors and the Chief Executive Officer. Includes people, performance and wellbeing, reform and innovation, and internal audit functions.

### Corporate Services

Includes communication and information technology, administration services, marketing and communication, and financial services.

### Planning Compliance & Environment

Includes public health, environmental health, building regulation and certification, development control, health planning and administration and local law enforcement (dog registration and regulation of parking).

### Infrastructure Services

Includes road works, street lighting, stormwater drainage, recoverable works, depot and workshop operation, asset management and engineering administration.

### Community & Customer Service

Includes libraries, art services, theatre and venue management, heritage preservation, child care, aged services, and community assistance. Management and operation of Council reserves and parks. Maintenance and beautification of entrances into the region and road reserves where these are Council controlled.

### Business Enterprise

Oversight and direction of Rockhampton Airport, Gracemere Saleyards, and Waste Services. Review and implementation of business improvement opportunities.

### Airports

Encompasses Rockhampton Airport operations.

### Saleyards

Encompasses Gracemere Saleyards operations.

### Waste & Recycling

Includes waste collection and disposal, recycling collection, and management of Council's landfill facilities.

### Fitzroy River Water

Council's commercialised water and sewerage business. Fitzroy River Water (FRW) has responsibility for provision of water and sewerage services to the residents of Rockhampton Regional Council including operation of the barrage, water treatment plant, reservoirs, water distribution network, water quality control, sewerage treatment plants, trunk sewers, sewerage pump stations, sewerage mains and services.

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 4 Revenue Analysis

	Note	15 March 2008 - 28 June 2009
		\$
<b>Rates and Levies</b>		
General rates		60,845,865
Special rates		108,855
Separate rates		5,874,290
Water access charges		16,560,264
Water consumption, rental and sundries		14,035,101
Sewerage		22,720,966
Garbage charges		9,823,110
Rates and utility charge revenue		129,968,451
Less: Discounts		(11,440,866)
Less: Pensioner remissions		(1,133,194)
<b>Net rates and utility charges</b>		<b>117,394,391</b>
<b>Fees and charges</b>		<b>29,855,445</b>
<b>Interest received</b>		
Investments		6,258,228
Overdue rates and utility charges		528,301
		<b>6,786,529</b>
<b>Sales of contract and recoverable works</b>		<b>6,457,860</b>
The amount recognised as revenue from contract works during the period is the amount receivable in respect of invoices issued during the period. The contract work carried out is not subject to retentions.		
<b>Other recurrent income</b>		<b>3,634,365</b>

## 5 Grants, Subsidies and Contributions

	Note	15 March 2008 - 28 June 2009
		\$
<b>Recurrent</b>		
General purpose grants		10,617,338
State Government subsidies and grants		7,487,930
Contributions		521,260
<b>Total recurrent revenue</b>		<b>18,626,528</b>
<b>Capital</b>		
Monetary revenue:		
Government subsidies and grants		35,609,243
Contributions		8,424,834
		<b>44,034,077</b>
Non-monetary revenue:		
Infrastructure from developers at fair value		8,091,025
Other physical assets contributed at fair value		11,455
		<b>8,102,480</b>
<b>Total capital revenue</b>		<b>52,136,557</b>

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 6 Capital Income

	Note	15 March 2008 - 28 June 2009
		\$
<b>Gain on the disposal of capital assets</b>		
Proceeds from the sale of property, plant and equipment		1,585,185
Proceeds from the sale of land and improvements		1,392,325
Proceeds from the sale of investment property		597,727
		<b>3,575,237</b>
Less: Book value of property, plant and equipment sold		(1,765,443)
Less: Book value of land and improvements sold		(1,099,492)
Less: Book value of investment property sold		(698,413)
		<b>(3,563,348)</b>
<b>Total gain on the disposal of capital assets</b>		<b>11,889</b>

## 7 Gain on Restructure of Local Government

	Note	15 March 2008 - 28 June 2009
		\$
<b>Net result attributable to Council before net assets transferred from abolished Councils</b>		
Net result attributable to Council		1,817,693,221
<b>Less:</b>		
Assets and liabilities transferred from abolished Councils		1,813,472,357
Adjustment due to accounting policy alignment		(992,686)
Net gain on restructure of Local Government		<b>1,812,479,671</b>
<b>Net result before gain on restructure of Local Government</b>		<b>5,213,550</b>

### Adjustments due to accounting policy alignment

Rockhampton Regional Council adopted an asset recognition threshold for assets, other than land and plant and equipment, of \$10,000. This resulted in the derecognition of assets transferred from the former Councils where the gross value fell below the asset recognition threshold.

Property, Plant and Equipment	17	(982,657)
Intangible assets	19	(10,029)
		<b>(992,686)</b>

The Local Government Reform Commission report to the Minister for Local Government, Planning and Sport on 27 July 2007 recommended that the former Rockhampton City, Livingstone Shire, Fitzroy Shire, Mt Morgan Shire Councils and the Rockhampton & District Saleyards Board be amalgamated to form the Rockhampton Regional Council. Pursuant to Part 1B of the *Local Government Act 1993* and in accordance with the Local Government Reform Implementation Regulation 2008, the amalgamation was effective from the changeover date of 15 March 2008.

The Local Government Reform Implementation Regulation 2008 and the Local Government Reform Implementation (Transferring Areas)

Amendment Regulation (No.1) 2008 transferred the assets and liabilities of the former Councils (referred to paragraph 1), to the Rockhampton Regional Council as at changeover date. The assets and liabilities of the former Councils have been recognised at the amounts at which they were recognised by the transferor Local Governments as at the changeover day.

Rockhampton Regional Council adopted consistent accounting policies from its commencement date of 15 March 2008. In some cases, this resulted in adjustments to the measurement of assets and liabilities transferred from the former Councils as at 15 March 2008.



# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

	Rockhampton City Council	Livingstone Shire Council	Fitzroy Shire Council	Mt Morgan Shire Council	Rockhampton & District Saleyards Board	Total gain recognised by Council	Adjustments due to accounting policy alignment	Net Gain on restructure of Local Government
<b>Assets</b>	\$	\$	\$	\$	\$	\$	\$	\$
<b>Current assets</b>								
Cash and cash equivalents	43,433,390	39,145,005	14,202,631	380,128	396,194	97,557,348	-	97,557,348
Trade receivables	8,414,902	16,896,477	950,238	302,296	150,144	26,714,057	-	26,714,057
Inventory	1,384,238	670,167	237,848	25,763	-	2,318,016	-	2,318,016
Other financial assets	352,282	218,298	140,049	61,394	21,709	793,732	-	793,732
	<b>53,584,812</b>	<b>56,929,947</b>	<b>15,530,766</b>	<b>769,581</b>	<b>568,047</b>	<b>127,383,153</b>	-	<b>127,383,153</b>
<b>Non-current assets</b>								
Receivables	-	11,546	-	-	-	11,546	-	11,546
Investment property	-	690,179	-	-	-	690,179	-	690,179
Property, plant and equipment	1,041,955,380	478,389,274	164,512,229	69,893,304	15,625,634	1,770,375,821	(982,657)	1,769,393,164
Work in progress	12,689,168	16,375,137	32,626	1,228,803	-	30,325,734	-	30,325,734
Intangible assets	412,290	450,227	14,427	-	-	876,944	(10,029)	866,915
	<b>1,055,056,838</b>	<b>495,916,363</b>	<b>164,559,282</b>	<b>71,122,107</b>	<b>15,625,634</b>	<b>1,802,280,224</b>	<b>(992,686)</b>	<b>1,801,287,538</b>
<b>Total assets</b>	<b>1,108,641,650</b>	<b>552,846,310</b>	<b>180,090,048</b>	<b>71,891,688</b>	<b>16,193,681</b>	<b>1,929,663,377</b>	<b>(992,686)</b>	<b>1,928,670,691</b>
<b>Liabilities</b>								
<b>Current liabilities</b>								
Trade payables	11,685,487	5,249,876	1,266,370	572,711	155,949	18,930,393	-	18,930,393
Borrowings	6,128,589	1,598,034	123,931	72,654	82,881	8,006,089	-	8,006,089
Provisions	-	-	90,133	-	-	90,133	-	90,133
Other	-	582,733	1,884	-	26,355	610,972	-	610,972
	<b>17,814,076</b>	<b>7,430,643</b>	<b>1,482,318</b>	<b>645,365</b>	<b>265,185</b>	<b>27,637,587</b>	-	<b>27,637,587</b>
<b>Non-current liabilities</b>								
Payables	7,169,305	3,263,885	778,199	188,817	28,406	11,428,612	-	11,428,612
Borrowings	43,560,265	28,016,603	1,122,851	1,171,211	1,725,321	75,596,251	-	75,596,251
Provisions	1,423,876	-	104,694	-	-	1,528,570	-	1,528,570
	<b>52,153,446</b>	<b>31,280,488</b>	<b>2,005,744</b>	<b>1,360,028</b>	<b>1,753,727</b>	<b>88,553,433</b>	-	<b>88,553,433</b>
<b>Total liabilities</b>	<b>69,967,522</b>	<b>38,711,131</b>	<b>3,488,062</b>	<b>2,005,393</b>	<b>2,018,912</b>	<b>116,191,020</b>	-	<b>116,191,020</b>
<b>Net gain from assets transferred</b>	<b>1,038,674,128</b>	<b>514,135,179</b>	<b>176,601,986</b>	<b>69,886,295</b>	<b>14,174,769</b>	<b>1,813,472,357</b>	<b>(992,686)</b>	<b>1,812,479,671</b>

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 8 Employee Benefits

	Note	15 March 2008 - 28 June 2009
		\$
Total staff wages and salaries		76,823,057
Councillors' remuneration		1,473,505
Annual, sick and long service leave entitlements		15,133,945
Superannuation	29	8,494,727
		<b>101,925,234</b>
Other employee related expenses		6,905,912
		<b>108,831,146</b>
Less: Capitalised employee expenses		(7,615,609)
		<b>101,215,537</b>

Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.

### Total Council employees at period end:

Elected members	11
Administration staff	538
Depot and outdoors staff	537
<b>Total full time equivalent employees</b>	<b>1,086</b>

## 9 Materials and Services

	Note	15 March 2008 - 28 June 2009
		\$
Audit services		417,495
Advertising and marketing		1,288,855
Administration supplies and consumables		1,172,751
Communications and information technology		2,763,158
Consultants		6,515,602
Contractors		8,764,952
Donations paid		1,807,132
Insurance		843,596
Electricity		5,387,890
Repairs and maintenance		25,640,452
Rentals - Operating leases		1,823,294
Other material and services		6,537,184
		<b>62,962,361</b>

## 10 Finance Costs

	Note	15 March 2008 - 28 June 2009
		\$
Finance costs charged by the Queensland Treasury Corporation (QTC)		7,693,800
Bank charges		468,992
Impairment of receivables		9,242
Refuse sites restoration provision - change in present value over time		105,310
		<b>8,277,344</b>

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 11 Depreciation and Amortisation

	Note	15 March 2008 - 28 June 2009
		\$
<b>Depreciation of Non-current Assets</b>		
Site improvements		1,645,370
Buildings		6,136,536
Plant and equipment		5,657,566
Road and bridge network		20,894,585
Water infrastructure		11,341,663
Sewerage infrastructure		6,917,768
Airport		1,477,069
		<b>54,070,557</b>
<b>Amortisation of intangible assets</b>		
Computer software		287,852
<b>Total amortisation of intangible assets</b>		<b>287,852</b>
<b>Total depreciation and amortisation</b>		<b>54,358,409</b>

### Unfunded Depreciation

Unfunded depreciation represents the shortfall in funding being provided by operating revenue to fund depreciation expense. For the period ending 28 June 2009, the Council has unfunded depreciation of \$15,588,651.

## 12 Cash and Cash Equivalents

	Note	15 March 2008 - 28 June 2009
		\$
Cash at bank and on hand		7,603,219
Deposits at call - Queensland Treasury Corporation		72,156,249
Term deposits		12,500,000
Balance per statement of cash flows		92,259,468
<b>Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:</b>		
Unspent government grants and subsidies	25	3,389,192
Unspent developer contributions	25	36,856,115
Unspent loan monies		3,453,332
<b>Total unspent restricted cash for capital projects</b>		<b>43,698,639</b>

Cash and deposits at call are held in a QTC cash management account and other approved institutions. These deposits bear floating interest rates of between 0.01% and 2.25% for operating accounts and between 3.27% and 3.82% for investment accounts. Deposits and investments at fixed interest rates are held with other approved institutions. These deposits bear fixed interest rates between 4.25% and 5.00%.



# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 13 Trade and Other Receivables

	Note	15 March 2008 - 28 June 2009
		\$
<b>Current</b>		
Rateable revenue and utility charges		6,028,565
Water charges not yet levied		2,378,003
GST recoverable		1,288,077
Other debtors		8,283,684
Loans and advances to community organisations		8,782
Less: Provision for impairment		(125,552)
		<b>17,861,559</b>

Interest is charged on outstanding rates at 11% per annum. There is no concentration of credit risk for rates and utility charges, fees, and other debtors receivable.

## 14 Inventories

	Note	15 March 2008 - 28 June 2009
		\$
<b>Current</b>		
Inventories held for sale		481,701
Inventories for distribution		2,006,438
		<b>2,488,139</b>

Inventory held for sale is valued at the lower of cost and net realisable value. Inventory for distributions is valued at cost, adjusted when applicable for any loss of service potential.

## 15 Other Financial Assets

	Note	15 March 2008 - 28 June 2009
		\$
Prepayments		1,244,901
		<b>1,244,901</b>

## 16 Investment Property

	Note	15 March 2008 - 28 June 2009
		\$
Property transferred on restructure of Local Government		690,179
Acquisitions		8,234
Value of assets disposed		(698,413)
<b>Total</b>		<b>0</b>

As at balance date there were no contractual obligations to purchase, construct or develop any investment property.

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 17 Property, Plant and Equipment

	Land	Site Improvements	Buildings	Plant and equipment at cost	Road and bridge network	Water	Sewerage	Airport	Heritage and Cultural Assets	Total
Basis of measurement	Valuation	Valuation	Valuation	Cost	Valuation	Valuation	Valuation	Valuation	Valuation	
2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009
Asset Values	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Value of assets transferred from abolished Councils	130,601,809	33,030,316	97,658,193	31,434,791	955,189,823	328,134,795	153,381,845	28,636,409	12,307,840	1,770,375,821
Adjustment for change in asset recognition threshold	(228,607)	-	(296,758)	(452,743)	(4,549)	-	-	-	-	(982,657)
Additions at cost	839,514	4,434,337	13,050,473	12,581,357	26,460,072	9,838,871	9,298,099	-	65,874	76,568,597
Contributed assets at valuation	-	-	-	-	3,312,384	3,557,656	1,220,985	-	11,455	8,102,480
Disposals	(1,099,492)	-	(4,508)	(1,962,976)	-	-	-	-	-	(3,066,976)
Write-offs	-	-	-	-	(2,771,271)	(105,092)	-	-	-	(2,876,363)
Revaluation adjustment to the reserve	23,323,207	24,638,104	114,295,073	-	385,127,372	243,823,303	265,638,068	18,467,965	6,677,827	1,081,990,919
<b>Closing gross value</b>	<b>153,436,431</b>	<b>62,102,757</b>	<b>224,702,473</b>	<b>41,600,429</b>	<b>1,367,313,831</b>	<b>585,249,533</b>	<b>429,538,997</b>	<b>47,104,374</b>	<b>19,062,996</b>	<b>2,930,111,821</b>
<b>Accumulated depreciation and impairment</b>										
Opening balance	-	-	-	-	-	-	-	-	-	-
Correction to opening balance	-	-	-	-	-	-	-	-	-	-
Depreciation provided in period	-	1,645,370	6,136,536	5,657,566	20,894,585	11,341,663	6,917,768	1,477,069	-	54,070,557
Depreciation on disposals	-	-	(68)	(162,008)	(36,255)	(3,710)	-	-	-	(202,041)
Revaluation adjustment to the reserve	-	22,471,853	89,187,829	-	259,781,659	229,550,659	182,926,375	12,364,799	-	796,283,174
Closing accumulated depreciation and impairment balance	-	24,117,223	95,324,297	5,495,558	280,639,989	240,888,612	189,844,143	13,841,868	-	850,151,690
<b>Net value at 28 June 2009</b>	<b>153,436,431</b>	<b>37,985,534</b>	<b>129,378,176</b>	<b>36,104,871</b>	<b>1,086,673,842</b>	<b>344,360,921</b>	<b>239,694,854</b>	<b>33,262,506</b>	<b>19,062,996</b>	<b>2,079,960,131</b>
Residual value	Not Depreciated	-	-	16,963,877	449,347,463	-	-	20,557,442	Not Depreciated	486,868,782
Range of estimated useful life in years	Not Depreciated	5 - 100	10 - 80	3 - 30	10 - 120	8 - 150	20 - 150	10 - 100	Not Depreciated	

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 17 Property, Plant and Equipment (continued)

### Land

The valuation of freehold land was determined by independent valuation by Scott Fullarton Valuations Pty Ltd on 28 June 2009. Land that is a reserve under the Land Act 1994 does not have a value for the purpose of a Local Government's financial statements.

### Site Improvements

The valuation of site improvements (open space furniture and utilities, water features, watering systems, pathway structures, and waterway facilities) at fair value was determined by independent valuation by Jeff Roorda & Associates on 28 June 2009.

### Buildings

The valuation of buildings were determined by independent valuation by Scott Fullarton Valuations Pty Ltd on 28 June 2009 and was based on current values together with the accumulated depreciation that had expired to that date resulting in the current net fair value at that date.

### Plant and Equipment

Plant and equipment is measured at deemed cost less accumulated depreciation.

## Infrastructure

### Water

The valuation of water infrastructure at fair value was determined by independent valuation by Alf Grigg & Associates on 28 June 2009.

### Sewerage

The valuation of water infrastructure at fair value was determined by independent valuation by Alf Grigg & Associates on 28 June 2009.

### Road and Bridge Network

The valuation of road infrastructure was determined by independent valuation by Jeff Roorda & Associates on 28 June 2009. The valuation of bridge infrastructure was determined by independent valuation by ARRB Group Ltd on 28 June 2009.

### Airport

The valuation of airport infrastructure assets at fair value was determined by independent valuation by Jeff Roorda & Associates on 28 June 2009.

### Heritage and Cultural Assets

Heritage and cultural assets (artworks, rare books and the heritage village attraction) are valued at fair value as determined by independent valuation by McWilliam & Associates Pty Ltd on 28 June 2009

## 18 Capital Work in Progress

	Note	15 March 2008 - 28 June 2009
		\$
Capital work in progress		71,313,680
		<b>71,313,680</b>

## 19 Intangible Assets

	Note	15 March 2008 - 28 June 2009
		\$
<b>Computer Software</b>		
Acquired at cost		662,818
Adjustment for change in asset recognition threshold		(10,029)
Value transferred from abolished Councils		876,944
		<b>1,529,733</b>
<b>Accumulated amortisation</b>		
Amortisation in the period		287,852
		<b>287,852</b>
<b>Net carrying value at the period end</b>		<b>1,241,881</b>

Estimated useful life - 5 to 10 years

Straight line amortisation has been used with no residual value.



# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 20 Trade and Other Payables

	Note	15 March 2008 - 28 June 2009
		\$
<b>Current</b>		
Creditors and accruals		13,857,802
Annual leave		4,816,109
Sick leave		219,774
Other entitlements		1,458,374
		<b>20,352,059</b>
<b>Non-current</b>		
Annual leave		3,639,341
Sick leave		564,273
		<b>4,203,614</b>

## 21 Provisions

	Note	15 March 2008 - 28 June 2009
		\$
<b>Current</b>		
<b>Long service leave</b>		1,623,853
Property restoratio:		
Refuse sites		30,768
		<b>1,654,621</b>
<b>Non-current</b>		
Long service leave		10,332,355
Property restoration - Refuse sites		1,804,085
		<b>12,136,440</b>

### Details of Movements in Provisions

<b>Long service leave</b>	
Acquired on restructure of Local Government	10,147,215
Long service leave entitlement arising	3,740,953
Long service leave entitlement extinguished	(337,434)
Long service leave entitlement paid	(1,594,526)
<b>Balance at the end of period</b>	<b>11,956,208</b>
Current portion	1,623,853
Non-current portion	10,332,355
	<b>11,956,208</b>
<b>Refuse Sites</b>	
Acquired on restructure of Local Government	1,618,703
Increase in provision - borrowing cost	105,310
Increase in provision - change in discount rate	110,840
<b>Balance at the end of period</b>	<b>1,834,853</b>
Current portion	30,768
Non-current portion	1,804,085
	<b>1,834,853</b>

This is the present value of the estimated future cost of restoring the refuse sites under the State Government environmental regulations at the end of its useful life. The projected cost is \$4,531,367 and this cost is expected to be incurred over the period 2010 to 2043.

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 22 Borrowings

	Note	15 March 2008 - 28 June 2009
		\$

### Bank Overdraft

The Council does not have a bank overdraft facility.

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### Unsecured Borrowings

Unsecured borrowings are provided by the Queensland Treasury Corporation. All borrowings are in Australian dollar denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current reporting period. Expected final repayment dates vary from 28 February 2011 to 31 December 2027. There have been no defaults or breaches of the loan agreement during the period. Principal and interest repayments are made quarterly in arrears.

### Secured Borrowings

The Council has no secured borrowings.

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### Details of borrowings at balance date are:

#### Current

Queensland Treasury Corporation	10,616,842
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#### Non-current

Queensland Treasury Corporation	114,116,057
---------------------------------	-------------

### Details of movements in borrowings:

#### Queensland Treasury Corporation

Loans raised	50,834,116
Loans recognised on the restructure of Local Government	83,602,341
Principal repayments	(9,703,558)
<b>Book value at period end</b>	<b>124,732,899</b>

The loan market value at the reporting date was \$126,326,912. This represents the value of the debt if the Council repaid it at that date. As it is the intention of the Council to hold the debt for its full term, no provision is required to be made in these accounts.

The loans are held in their respective program accounts. Borrowings are all in Australian dollars and are underwritten by the Queensland State Government.

## 23 Retained Surplus

	Note	15 March 2008 - 28 June 2009
		\$

### Movement in Retained Surplus

Retained surplus at beginning of period

Net result attributable to Council	1,817,693,221
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### Transfers to reserves for future capital funding purposes:

Constrained works reserve	(40,245,307)
Airport development reserve	(8,907,284)
Capital works reserve	(5,626,264)
Plant reserve	(2,573,713)
Water reserve	(7,141,905)
Sewerage reserve	(5,047,314)
Waste management reserve	(1,067,176)

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 23 Retained Surplus (continued)

	Note	15 March 2008 - 28 June 2009
		\$
<b>Transfers to reserves for future general funding purposes:</b>		
Operating projects reserve		(3,281,931)
Asset maintenance reserve		(396,209)
<b>Retained surplus at period end</b>		<b>1,743,406,118</b>

## 24 Asset Revaluation Reserve

	Note	15 March 2008 - 28 June 2009
		\$

**Movements in the asset revaluation reserve were as follows:**

Balance at beginning of period	-
Net adjustment to non-current assets at end of period to reflect a change in current fair value:	
Land	23,323,207
Site improvements	2,166,251
Buildings	25,107,244
Road and bridge network	125,345,713
Water infrastructure	14,272,644
Sewerage	82,711,693
Airport	6,103,166
Heritage and cultural assets	6,677,827
Change in value of future rehabilitation cost	
Land and improvements	(110,840)
<b>Balance at end of period</b>	<b>285,596,905</b>

### Asset Revaluation Reserve Analysis

The closing balance of the asset revaluation reserve is comprised of the following asset categories:

Land	23,212,367
Site improvements	2,166,251
Buildings	25,107,244
Road and bridge network	125,345,713
Water infrastructure	14,272,644
Sewerage	82,711,693
Airport	6,103,166
Heritage and cultural assets	6,677,827
	<b>285,596,905</b>

## 25 Other Reserves

	Note	15 March 2008 - 28 June 2009
		\$

**Summary of reserves held for funding future capital expenditure:**

Constrained Works Reserve	40,245,307
Airport Development Reserve	8,907,284
Capital Works Reserve	5,626,264
Plant Reserve	2,573,713
Water Reserve	7,141,905
Sewerage Reserve	5,047,314
Waste Management Reserve	1,067,176
	<b>70,608,963</b>



# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 25 Other Reserves (continued)

	Note	15 March 2008 - 28 June 2009
		\$
<b>Summary of reserves held for funding future recurrent expenditure:</b>		
Operating Projects Reserve		3,281,931
Asset Maintenance Reserve		396,209
		<b>3,678,140</b>
<b>Total other reserves</b>		<b>74,287,103</b>

### Movements in capital reserves are analysed as follows:

#### Constrained Works Reserve

Balance at the beginning of period	
Transfer from retained earnings grants, subsidies and contributions received in the period which restricted to specific capital projects	44,034,077
Transfers to the capital account funds expended in the period	(35,845,724)
Transfer from retained earnings for future expenditure	32,056,954
<b>Balance at end of period</b>	<b>40,245,307</b>

#### Airport Development Reserve

Transfer from retained earnings for future expenditure	12,942,996
Transfer to the capital account funds expended in the period	(4,035,712)
<b>Balance at end of period</b>	<b>8,907,284</b>

#### Capital Works Reserve

Transfer from retained earnings for future expenditure	6,915,553
Transfer to the capital account funds expended in the period	(1,289,289)
<b>Balance at end of period</b>	<b>5,626,264</b>

#### Plant Reserve

Transfer from retained earnings for future expenditure	4,684,583
Transfer to the capital account funds expended in the period	(2,110,870)
<b>Balance at end of period</b>	<b>2,573,713</b>

#### Water Reserve

Transfer from retained earnings for future expenditure	7,403,662
Transfer to the capital account funds expended in the period	(261,757)
<b>Balance at end of period</b>	<b>7,141,905</b>

#### Sewerage Reserve

Transfer from retained earnings for future expenditure	5,367,886
Transfer to the capital account funds expended in the period	(320,572)
<b>Balance at end of period</b>	<b>5,047,314</b>

#### Waste Management Reserve

Transfer from retained earnings for future expenditure	1,182,686
Transfer to the capital account funds expended in the period	(115,510)
<b>Balance at end of period</b>	<b>1,067,176</b>

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 25 Other Reserves (continued)

	Note	15 March 2008 - 28 June 2009
		\$

Movements in recurrent reserves are analysed as follows:

### Operating Projects Reserve

Transfer from retained earnings for future expenditure	6,477,755
Transfer to retained earnings	(3,195,824)
<b>Balance at end of period</b>	<b>3,281,931</b>

### Asset Maintenance Reserve

Transfer from retained earnings for future expenditure	396,209
<b>Balance at end of period</b>	<b>396,209</b>

## 26 Commitments for Expenditure

	Note	15 March 2008 - 28 June 2009
		\$

### Operating Leases

Minimum lease payments in relation to non-cancellable operating leases are as follows:

Within one year	29,369
One to five years	11,686
	<b>41,055</b>

### Contractual Commitments

Contractual commitments at balance date but not recognised in the financial statements are as follows:

Collection and transfer of waste	2,460,000
Fitzroy River to Capricorn Coast pipeline and reservoirs	1,158,248
	<b>3,618,248</b>

## 27 Events After Balance Date

	Note	15 March 2008 - 28 June 2009
		\$

The tenders for lease of the Gracemere Saleyards complex closed on 17 June 2009 and submissions are currently being assessed.  
There were no material adjusting events after the balance date.

## 28 Contingent Liabilities

	Note	15 March 2008 - 28 June 2009
		\$

Details and estimates of maximum amounts of contingent liabilities are as follows:

Under approval from Queensland Treasury, Council has guaranteed a loan to the Berserker Soccer Club Inc (\$12,049) and the Diggers Memorial Bowls Club (\$592) at reporting date.	12,641
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The Rockhampton Regional Council is a member of the local government workers' self-insurance compensation scheme, Local Government Workcare. Under this scheme the Council has provided a bank guarantee to cover bad debts which may remain should the self-insurance licence be cancelled and because of insufficient funds being available to cover outstanding liabilities. Only Local Government Workcare may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure is:	2,041,960
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# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 29 Superannuation

The Rockhampton Regional Council contributes to the Local Government Superannuation Scheme (Qld) (the scheme). The scheme is a Multi-employer Plan as defined in the Australian Accounting Standard AASB119 Employee Benefits. The scheme has two elements referred to as the Defined Benefits Fund (DBF) and the Accumulation Benefits Fund (ABF).

The ABF is a defined contribution scheme as defined in AASB119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the *Local Government Act*. The DBF is a defined benefit plan as defined in AASB119. The Council is not able to account for the DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to the Council for its proportionate share of the defined benefit obligation, plan assets and costs.

Under amendments to the *Local Government Act 1993* passed in June 2009, the trustee of the scheme has the power to levy additional contributions on Councils which have employees in the DBF when the actuary advises such additional contributions are payable - normally when the assets of the DBF are insufficient to meet members' benefits. Clause 56(e) of the scheme's Trust Deed indicates that any increase in the contributions is limited to 6% of the relevant employee's salary.

In its letter to Council dated 5 June 2009 the trustee advised that "at this stage, there is no requirement for Councils to contribute any additional contributions." The letter further stated that "any additional contributions above 12% (standard rate of contribution) that may be required would be on a temporary basis only, and would be requested based on independent actuarial advice. When possible, the contribution rate would reduce at a later date to offset additional costs - for example, Councils may be asked to pay 18% contributions instead of 12% for a period, then contributions may reduce to 6% for a compensatory period before returning to the regular 12% contribution rate."

Any amount by which either fund is over or under funded would only affect future benefits and contributions to the DBF, and is not an asset or liability of the Council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme. The audited general purpose financial report of the scheme as at 30 June 2008 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the vested benefits.

The general purpose financial report discloses that the most recent actuarial assessment of the scheme was undertaken as at 1 July 2006. The actuary indicated that without improvements to benefit conditions, or other unanticipated events, current contribution rates would be sufficient to meet members benefits as they accrue. The next actuarial investigation will be made as at 1 July 2009. The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the Local Government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.

Note	15 March 2008 - 28 June 2009
	\$

The amount of superannuation contributions paid by Rockhampton Regional Council to the scheme in this period for the benefit of employees was: 8,356,912

The Rockhampton Regional Council also contributes to the scheme for the benefit of elected members. The amount of contributions paid for this benefit during the period was: 137,815

## 30 Trust Funds

Note	15 March 2008 - 28 June 2009
	\$

Monies collected or held on behalf of another entity (including controlled entity) yet to be paid out to or on behalf of that entity 3,892,290

The Rockhampton Regional Council performs only a custodial role in respect of these monies. As these funds cannot be used by the Council, they are not brought to account in these financial statements.



# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 31 Reconciliation of Net Result Attributable to Council to Net Cash Flow From Operating Activities

	Note	15 March 2008 - 28 June 2009
		\$
<b>Net result attributable to Council</b>		<b>1,817,693,221</b>
<b>Non-cash operating items:</b>		
Depreciation and amortisation	11	54,358,409
Change in restoration provisions expensed to finance costs		105,310
		<b>54,463,719</b>
<b>Investing and development activities:</b>		
Capital grants, subsidies and contributions	5	(52,136,557)
Capital income	6	(11,889)
Capital expenses	17	2,876,363
Net gain on restructure of Local Government	7	(1,812,479,671)
		<b>(1,861,751,754)</b>
<b>Changes in operating assets and liabilities:</b>		
Decrease in receivables		8,601,365
Increase in inventories (excluding land)		(170,123)
Increase in other operating assets		(451,169)
Decrease in payables		(5,548,706)
Increase in provisions		11,956,208
Decrease in other liabilities		(610,972)
		<b>13,776,603</b>
<b>Net cash inflow from operating activities</b>		<b>24,181,789</b>

## 32 Contingent Assets

i Council has an agreement with Primary Industries Qld Pty Ltd for a lease over a portion of Council's land. The lessee has agreed as part of the agreement to construct fixtures upon the land for their own purpose. It is envisaged that an amount of \$3,830,000 will be expended on this construction.

Council obtaining control of this asset is contingent upon the expiration/surrender of the lease agreement. Until such time that the buildings revert back to Council control they will not be included in Council's non-current assets as the requirements of Statement of Accounting Concept 4, as issued by the Australian Accounting Standards Board can not be met.

No value is applied as at the reporting date as a contingent asset as the value can not be reliably measured in accordance with the aforementioned Accounting Concept. The agreement commenced on 1 November 2000 and was for an initial period of five years, with an option for the lessee to extend this lease for a further two five year periods. The lessee has exercised this option with the lease extended for a further five years from 1 November 2005.

For the initial two periods (10 years in total), a rental amount of \$386,000 per annum will apply. The lessee will receive a credit from Council for an equivalent value based on the assumption of the aforementioned construction costs.

ii Council has an agreement with Fun Pty Ltd for a lease over a Council controlled reserve known as the 42nd Battalion Pool. The lease was transferred from The Ireland Group Pty Ltd to Fun Pty Ltd on 21 September 2006. The lessee/s have agreed as part of the agreement to construct fixtures upon the land for their own purpose. It has been agreed that a sum of \$3,467,000 will be expended in additions and refurbishments over the term of the lease.

Council obtaining control of this asset is contingent upon the expiration/surrender of the lease agreement. Until such time that the fixtures revert back to Council control they will not be included in Council's non-current assets as the requirements of Statement of Accounting Concept 4, as issued by the Australian Accounting Standards Board can not be met. It is anticipated that at the expiration of the lease the fixtures will have depreciated substantially.

No value is applied as at the reporting date as a contingent asset as the value can not be reliably measured in accordance with the aforementioned Accounting Concept. The agreement commenced on 14 July 2003 and will expire on 30 June 2028.

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 33 Financial Risk Management

Rockhampton Regional Council's activities expose it to a variety of financial risks including credit risk, liquidity risk, and interest rate risk.

Exposure to financial risks is managed in accordance with Council approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Council.

**Rockhampton Regional Council measures risk exposure using a variety of methods as follows:**

Risk exposure	Measurement method
Credit risk	Ageing analysis
Liquidity risk	Maturity analysis
Interest rate risk	Sensitivity analysis

Credit risk exposure refers to the situation where the Council may incur financial loss as a result of another party to a financial instrument failing to discharge their obligations.

In the case of rate receivables, the Council has the power to sell the property to recover any defaulted amounts. In effect this power protects the Council against credit risk in the case of these debts.

In other cases, the Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

The Council is exposed to credit risk through its investments with the Queensland Treasury Corporation (QTC) and deposits held with banks, or other financial institutions. The QTC Cash Fund is an asset management portfolio that invests with a wide variety of high credit rating counterparts. Deposits are capital guaranteed. Other investments are held with highly rated and regulated financial institutions and whilst not capital guaranteed the likelihood of a credit failure is remote.

No collateral is held as security relating to the financial assets held by the Council.

**The following table represents the Council's maximum exposure to credit risk:**

	15 March 2008 - 28 June 2009
	\$
<b>Financial Assets</b>	
Cash and cash equivalents - bank	7,603,219
Cash and cash equivalents - QTC	72,156,249
Cash and cash equivalents - other ADI	12,500,000
Receivables - rates	6,028,565
Receivables - other	11,832,994
<b>Total</b>	<b>110,121,027</b>

### Past Due or Impaired

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amounts as indicated.

The following table represents an analysis of the age of the Council's financial assets that are either fully performing, past due or impaired:

#### Receivables

Fully Performing	5,174,758
<b>Past Due</b>	
Less than 30 Days	2,986,394
31 - 60 Days	1,270,153
61 - 90 Days	1,047,321
Over 90 Days	1,479,920
Impaired	(125,552)
<b>Total</b>	<b>11,832,994</b>

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 33 Financial Risk Management (continued)

### Liquidity Risk

Liquidity risk refers to the situation where the Council may encounter difficulty in meeting obligations associated with financial liabilities. The Council is exposed to liquidity risk through its trading in the normal course of business and borrowings from the Queensland Treasury Corporation for capital works.

The Corporation manages its exposure to liquidity risk by maintaining sufficient undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in the Borrowings Note 22

The following table sets out the liquidity risk of financial liabilities held by the Council in a format as it might be provided to management. The amounts disclosed in the maturity analysis represent the contractual undiscounted cash flows at balance date:

### Financial Liabilities

	0 to 1 year	1 to 5 years	Over 5 years	Total
28 June 2009	29,899,301	64,617,721	94,263,774	188,780,796

### Interest Rate Risk

The Council is exposed to interest rate risk through its borrowings from the Queensland Treasury Corporation and investments held with financial institutions.

The risk in borrowing is effectively managed by borrowing only from the Queensland Treasury Corporation and having access to a mix of floating and fixed funding sources such that the desired interest rate risk exposure can be constructed. Interest rate risk in other areas is minimal.

The Council does not undertake any hedging of interest rate risk.

### Interest Rate Sensitivity Analysis

The following sensitivity analysis is based on a report similar to that which would be provided to management, depicting the outcome to profit and loss should there be a 1% increase in market interest rates. The calculations assume that the rate would be held constant over the next financial year, with the change occurring at the beginning of that year. It is assumed that interest rates on overdue rates would not change. If the rates decreased by 1% the impact would be equal in amount in the reverse direction.

	Net carrying amount 28 June 2009	Profit 28 June 2009	Equity 28 June 2009
	\$	\$	\$
Financial Assets	84,656,249	846,562	846,562
Financial Liabilities	(124,732,899)	(1,247,329)	(1,247,329)
<b>Net Impact</b>	<b>(40,076,650)</b>	<b>(400,767)</b>	<b>(400,767)</b>



# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## 34 National Competition Policy

### (a) Type 1 and type 2 activities

Definitions of type 1 and 2 activities:

Before the end of each financial year, the Minister must decide for the financial year, the expenditure amounts (the "threshold amounts") for identifying a "significant business activity" that should be a type 1 or 2 business activity.

A significant business activity where the threshold expenditure has been set by the Minister for the year ended 30 June 2009 is as follows:

#### Type 1.

- (a) for water and sewerage combined activities - \$37.8 million
- (b) for other activities - \$22.7 million

#### Type 2.

- (a) for water and sewerage combined activities - \$11.3 million
- (b) for other activities - \$7.6 million

The Council has resolved to commercialise the following activities which fall into the expenditure guidelines above:

Fitzroy River Water (former Rockhampton City Council Type 2 business activity)

### (b) Activities to which the code of competitive conduct is applied

A "business activity" of a Local Government is divided into two categories:

- (a) Roads business activity, which covers:
  - i the construction or maintenance of State controlled roads for which the Local Government submits an offer to carry out work in response to a tender invitation, other than through a sole supplier arrangement.
  - ii submission of a competitive tender for construction or road maintenance on the Local Government's roads which the Local Government has put out to tender, or called for by another Local Government.

(b) Other business activity, which covers:

- i trading in goods and services to clients in competition with the private sector, or
  - ii the submission of a competitive tender in the Local Government's own tendering process in competition with others for the provision of goods and services to its self.
- Excluded activities are (a) library services, and (b) an activity or part thereof prescribed by legislation.

These business activities are referred to as type three activities.

Local Government may elect to apply a Code of Competitive Conduct (CCC) to their identified business activities. This requires the application of full cost pricing, identifying the cost of community service obligations (CSO's) and eliminating the advantages and disadvantages of public ownership within that activity. The application of the CCC to the roads business activity is compulsory.

The CSO value is determined by Council, and represents a cost which would not be incurred if the activity's primary objective was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by the Council. Notwithstanding CSO's, the Council is committed to operating the following activities as business activities in accordance with the CCC:

- Waste Management Services
- Caravan Parks
- Rockhampton Airport
- Venues and Events
- Saleyards
- Private Works
- City Occasional Child Care
- Modern Burial System
- Building Certification
- Water and Sewerage (former Fitzroy, Mount Morgan and Livingstone Shire Councils)

### (c) Financial performance of activities subject to competition reforms:

The following table summarises the financial results for these activities, including competitive neutrality adjustments if applicable.

This is a summary only. Full information is available for inspection at the Council offices.

	15 March 2008 - 28 June 2009	15 March 2008 - 28 June 2009	15 March 2008 - 28 June 2009
	\$	\$	\$
	Waste Management Services	Caravan Parks	Rockhampton Airport
Revenue for services provided to the Council			
Revenue for services provided to external clients	13,000,995	1,364,257	8,359,117
Community service obligations	173,100	-	-
	13,174,095	1,364,257	8,359,117
Less: Expenditure	16,309,498	1,027,439	3,482,503
<b>Surplus (deficiency)</b>	<b>(3,135,403)</b>	<b>336,818</b>	<b>4,876,614</b>

# Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

## (c) Financial performance of activities subject to competition reforms: (continued)

	15 March 2008 - 28 June 2009	15 March 2008 - 28 June 2009	15 March 2008 - 28 June 2009
	\$	\$	\$
	Venues and Events	Saleyards	Private Works
Revenue for services provided to the Council			
Revenue for services provided to external clients	5,260,462	2,306,256	2,523,249
Community service obligations	2,297,584	-	-
	7,558,046	2,306,256	2,523,249
Less: Expenditure	6,356,055	1,663,537	2,718,420
<b>Surplus (deficiency)</b>	<b>1,201,991</b>	<b>642,719</b>	<b>(195,171)</b>

	City Occasional Child Care	Modern Burial System	Building Certification
Revenue for services provided to the Council			
Revenue for services provided to external clients	499,325	30,000	505,777
Community service obligations	241,673	-	-
	740,998	30,000	505,777
Less: Expenditure	606,031	270,373	367,883
<b>Surplus (deficiency)</b>	<b>134,967</b>	<b>(240,373)</b>	<b>137,894</b>

	Water and Sewerage
Revenue for services provided to the Council	
Revenue for services provided to external clients	17,261,060
Community service obligations	-
	17,261,060
Less: Expenditure	12,492,002
<b>Surplus (deficiency)</b>	<b>4,769,058</b>

## (d) Details of community service obligations paid during the reporting period to business activities:

Activities	CSO description	Actual
		\$
<b>Fitzroy River Water</b>	Sewerage	-
	Combined Line Charges (Operating)	165,179
	Combined Line Charges (Capital)	227,813
	Raising Manholes (Capital)	630,979
<b>Total</b>		<b>1,023,971</b>

<b>Waste Management Services</b>		<b>173,100</b>
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<b>Venues and Events</b>	Provision of community facilities at affordable pricing	<b>2,297,584</b>
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<b>City Occasional Child Care</b>	Provision of community facilities at affordable pricing	<b>241,673</b>
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# Independent Auditor's Report

## INDEPENDENT AUDITOR'S REPORT

To the Mayor of Rockhampton Regional Council

### **Matters Relating to the Electronic Presentation of the Audited Financial Report**

The auditor's report relates to the financial report of the Rockhampton Regional Council for the financial period ended 28 June 2009 included on Rockhampton Regional Council's website. The Council is responsible for the integrity of the Rockhampton Regional Council's website. I have not been engaged to report on the integrity of the Rockhampton Regional Council's website. The auditor's report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report, available from Rockhampton Regional Council, to confirm the information included in the audited financial report presented on this website.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

### **Report on the Financial Report**

I have audited the accompanying financial report of the Rockhampton Regional Council, which comprises the balance sheet as at 28 June 2009, and the income statement, statement of changes in equity and cash flow statement for the period ended on that date, a summary of significant accounting policies other explanatory notes and certificates given by the Mayor and Chief Executive Officer.

#### *The Council's Responsibility for the Financial Report*

The Council is responsible for the preparation and fair presentation of the financial report in accordance with the *Local Government Act 1993*, *Local Government Finance Standard 2005* and the *Local Government Reform Implementation Regulation 2008* including compliance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

My responsibility to express an opinion on the financial report based on the audit is prescribed in the *Auditor-General Act 2009*. This Act, including transitional provisions, came into operation on 1 July 2009 and replaces the previous requirements contained in the *Financial Administration and Audit Act 1977*.

The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. These auditing standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement in the financial report, whether due to



# Independent Auditor's Report

fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

## *Independence*

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and QAO authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

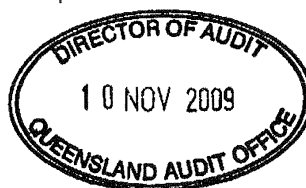
## *Auditor's Opinion*

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
  - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of the Rockhampton Regional Council for the financial period 15 March 2008 to 28 June 2009 and of the financial position as at the end of that period.



O C Clare FCPA  
as Delegate of the Auditor-General of Queensland



Queensland Audit Office  
Brisbane

# Independent Auditor's Report

## ROCKHAMPTON REGIONAL COUNCIL

### FINANCIAL STATEMENTS

for the period 15 March 2008 to 28 June 2009

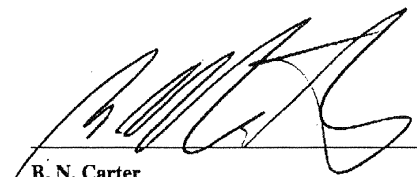
### MANAGEMENT CERTIFICATE

for the period 15 March 2008 to 28 June 2009

This general purpose financial report of the Rockhampton Regional Council has been prepared pursuant to Section 532 of the *Local Government Act 1993*, Section 35 of the *Local Government Reform Implementation Regulation 2008*, the *Local Government Finance Standard 2005*, and other prescribed requirements.

We certify that:-

- (i) the relevant recording and reporting procedures have been complied with in the preparation of the financial statements; and
- (ii) the financial statements for the period 15 March 2008 to 28 June 2009 and supporting notes as set out on pages 6 to 44 present the Council's income, equity, balances and cash flows as required by the *Local Government Act 1993*.

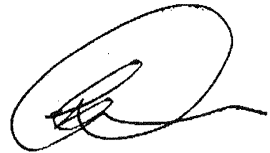


B. N. Carter

Mayor

Rockhampton Regional Council

Date: 9 / 11 / 09



A. T. Dawson

Chief Executive Officer

Rockhampton Regional Council.

Date: 9 / 11 / 09



*Main beach, Yeppoon*



# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Councillors' Remuneration

### S534 (1) (f)

At a Finance and Governance Committee Meeting on 20 January 2009 it was resolved:

That pursuant to Section 236A of the *Local Government Act 1993* Council adopts the remuneration determination of the Local Government Remuneration Tribunal for the Mayor, Deputy Mayor and Councillors at the maximum allowable rate, to be effective until 30 June 2010 or until a subsequent determination regarding remuneration is made by the Remuneration Tribunal.

Elected Members – Remuneration to be paid

1. Remuneration shall be paid to Rockhampton Regional Council elected members for their service as elected representatives, members of Council's Standing and Special Committees and office bearers of the Local Government.

Such remuneration shall be benchmarked to the remuneration paid to Members of the Queensland Legislative Assembly as follows:

Position	% of MLA	\$
Mayor	115	145,544
Deputy Mayor	77.5	98,080
Councillor	70	88,590

2. An amalgamation allowance to fulfil the additional responsibilities of office and the costs of serving the electorate due to the Local Government Reform Process of a value specified by the Local Government Remuneration Tribunal shall be paid to elected members as follows:

Position	15/3/08 to 30/6/09	1/7/09 to 30/6/10	1/7/10 to 30/6/11	1/7/11 to 3/2012
Mayor	\$12,970	\$9,730	\$6,490	\$3,240
Deputy Mayor	\$9,180	\$6,890	\$4,590	\$2,300
Councillors	\$8,230	\$6,170	\$4,120	\$2,060

3. All other benefits and conditions as resolved by Council at its Ordinary Meeting of 11 April 2008 will remain the same.

At a Finance and Governance Committee Meeting on 1 September 2009, it was resolved:

That Council adopts the Councillor's Expenses Reimbursement Policy as originally adopted and endorsed by the Department of Local Government pursuant to Section 250AR of the *Local Government Act*.

## Councillor Remuneration and Superannuation for 2008/09

### S534 (1) (g) (i) & (ii)

Councillor	Gross	Included in Gross		Superannuation Contributions
		Allow	Car	
Deputy Mayor Councillor R A Swadling	\$111,427.37	\$9,180.08	\$404.24	\$13,794.51
Councillor S M O'Brien	\$96,536.96	\$8,230.04		\$12,030.12
Councillor B Svendsen	\$96,536.96	\$8,230.04		\$11,146.85
His Worship the Mayor Councillor B N Carter	\$154,727.50	\$12,970.10		\$19,288.55
Councillor G K Brady	\$96,536.96	\$8,230.04		\$12,030.12
Councillor G A Belz	\$98,325.01	\$8,230.04	\$1,132.98	\$12,030.12
Councillor G M Mather	\$96,536.96	\$8,230.04		\$12,030.12
Councillor A P Williams	\$98,729.78	\$8,230.04	\$2,192.82	\$12,030.12
Councillor C R Rutherford	\$96,536.96	\$8,230.04		\$12,030.12
Councillor S J Schwarden	\$97,350.41	\$8,230.04	\$813.45	\$12,030.12
Councillor F W Ludwig	\$110,766.14	\$8,230.04	\$14,229.18	\$11,918.73



# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Expenses Incurred by and Provided to Each Councillor Under the Expenses Reimbursement Policy

S534 (1) (g) (ii)

Councillor	\$
His Worship the Mayor, Councillor B N Carter	16,998.86
Councillor GM Mather	3,510.81
Councillor B Svendsen	11,234.99
Councillor F W Ludwig	3,249.96
Councillor S M O'Brien	12,379.02
Councillor C R Rutherford	4,422.08
Councillor G A Belz	13,252.94
Councillor S J Schwarten	1,547.71
Councillor A P Williams	3,116.74
Deputy Mayor, Councillor R A Swadling	8,526.37
Councillor G K Brady	2,706.07
<b>Total</b>	<b>80,945.55</b>

## Advisory Committee Attendances Chart 2008/09

01 July 2008 to 30 June 2009

S534 (1) (h)

Councillor	AUDIT
His Worship the Mayor Councillor B N Carter	3
Deputy Mayor Councillor R A Swadling	-
Councillor G M Mather	3
Councillor B Svendsen	-
Councillor F W Ludwig	-
Councillor S M O'Brien	-
Councillor C R Rutherford	-
Councillor G A Belz	-
Councillor S J Schwarten	-
Councillor A P Williams	-
Councillor G K Brady	3
<b>Total Meetings Held</b>	<b>3</b>

## Direct to Council Meeting Attendance Chart 2008/09

01 July 2008 to 30 June 2009

Councillor	Council
His Worship the Mayor Councillor B N Carter	21 (1 Apology) (1 Leave of Absence)
Deputy Mayor Councillor R A Swadling	21 (2 Apology)
Councillor G M Mather	23
Councillor B Svendsen	20 (3 Apology)
Councillor F W Ludwig	20 (3 Leave of Absence)
Councillor S M O'Brien	19 (1 Apology) (3 Leave of Absence)
Councillor C R Rutherford	20 (1 Apology) (2 Leave of Absence)
Councillor G A Belz	22 (1 Leave of Absence)
Councillor S J Schwarten	19 (4 Apology)
Councillor A P Williams	23
Councillor G K Brady	23
<b>Total Meetings Held</b>	<b>23</b>

## Special Council Meeting Attendance Chart 2008/09

01 July 2008 to 30 June 2009

Councillor	Council
His Worship the Mayor Councillor B N Carter	4
Deputy Mayor Councillor R A Swadling	4 **
Councillor G M Mather	4
Councillor B Svendsen	4
Councillor F W Ludwig	1 (1 Apology) (2 Leave of Absence)
Councillor S M O'Brien	3 ** (1 Apology)
Councillor C R Rutherford	4
Councillor G A Belz	3 (1 Apology)
Councillor S J Schwarten	4
Councillor A P Williams	3 (1 Apology)
Councillor G K Brady	4
<b>Total Meetings Held</b>	<b>4</b>

\*\* 1 via teleconference

# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Standing Committee Attendances Chart 2008/09

01 July 2008 to 30 June 2009

	STRATEGIC PLANNING	BUSINESS ENTERPRISE
His Worship the Mayor Councillor B N Carter	12	5, (1 Apology)
Deputy Mayor Councillor R A Swadling	2, (2 Observer)	10
Councillor G M Mather	18, (1 Apology)	(5 Observer)
Councillor B Svendsen	18, (1 Apology)	(8 Observer)
Councillor F W Ludwig	1, (1 Leave of Absence), (2 Observer)	(4 Observer)
Councillor S M O'Brien	15, (2 Leave of Absence), (2 Apologies)	8, (2 Leave of Absence)
Councillor C R Rutherford	(1 Observer), (2 Apologies)	9, (1 Apology)
Councillor G A Belz	2, (2 Observer)	8, (1 Apology), (1 Leave of Absence)
Councillor S J Schwarten	2	
Councillor A P Williams	18, (1 Leave of Absence)	(5 Observer)
Councillor G K Brady	19	10
<b>Total Meetings Held</b>	<b>19</b>	<b>10</b>

	FINANCE & GOVERNANCE	GENERAL PURPOSES
His Worship the Mayor Councillor B N Carter	17, (1 Apology)	4
Deputy Mayor Councillor R A Swadling	16, (2 Leave of Absence)	4
Councillor G M Mather	18	4
Councillor B Svendsen	16, (2 Apology)	4
Councillor F W Ludwig	15, (1 Apology), (2 Leave of Absence)	3, (1 Leave of Absence)
Councillor S M O'Brien	14, (2 Apology), (2 Leave of Absence)	4
Councillor C R Rutherford	17, (1 Leave of Absence)	3, (1 Apology)
Councillor G A Belz	17, (1 Leave of Absence)	3, (1 Apology)
Councillor S J Schwarten	16, (2 Apology)	4
Councillor A P Williams	17, (1 Leave of Absence)	4
Councillor G K Brady	17, (1 Apology)	4
<b>Total Meetings Held</b>	<b>18</b>	<b>4</b>

# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Standing Committee Attendances Chart 2008/09

01 July 2008 to 30 June 2009

COMMERCIAL BUSINESS	COMMUNITY DEVELOPMENT & CUSTOMER SERVICE	ENVIRONMENT	FINANCE
2	4, (1 Apology)	2	2
2	10	(4 Observer)	1, (1 Apology)
2	(3 Observer)	7	2
2	(5 Observer)	6, (1 Leave of Absence)	2
1, (1 Leave of Absence)	8, (1 Apology), (1 Leave of Absence)	(5 Observer)	2
2	8, (2 Leave of Absence)	6, (1 Leave of Absence)	1, (1 Apology)
2	9, (1 Apology)	(4 Observer)	1, (1 Leave of Absence)
2		7	2
1, (1 Apology)	8, (2 Apology)	(2 Observer)	2
2	(1 Observer)	7	2
2	(1 Observer)	(4 Observer)	2
<b>2</b>	<b>10</b>	<b>7</b>	<b>2</b>

HEALTH & REGULATORY	INFRASTRUCTURE	PLANNING & DEVELOPMENT	SPORTS & RECREATION
5	3	4	6
(5 Observer)	(5 Observer)	4	6, (2 Apology), (1 Leave of Absence)
7	9	4	(6 Observer)
6, (1 Apology)	9	4	(3 Observer)
2, (4 Apology), (1 Leave of Absence)	6, (2 Apology), (1 Leave of Absence)	3 (1 Leave of Absence)	8 (1 Leave of Absence)
(5 Observer)	(4 Observer)	4	(3 Observer)
6, (1 Apology)		3, (1 Apology)	7, (1 Apology), (1 Leave of Absence)
(5 Observer)	8, (1 Leave of Absence)	4	(1 Observer)
	8, (1 Apology)	3, (1 Apology)	6, (3 Apology)
7	(4 Observer)	4	(3 Observer)
(6 Observer)	(3 Observer)	4	9
<b>7</b>	<b>9</b>	<b>4</b>	<b>9</b>

# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Councillor's Code of Conduct and Complaints Process

### S534 (1) (n) LGA 1993

Description	Total
The total number of breaches of the Local Government's Code of Conduct committed by Councillors as decided during the year.	0
The name of each Councillor decided during the year to have breached the code, a description of how the code was breached, and details of any penalty imposed on the Councillor.	0
The number of complaints about alleged breaches of code of conduct by Councillors, other than frivolous or vexatious complaints, that were referred to the conduct review panel or CEO.	0
The number of recommendations made to the Local Government by the conduct review panel during the year that were or were not adopted by Council.	0
The number of complaints resolved under the Local Governments general complaints process during the year and the number of those complaints that related to an alleged breach by a Councillor of the Local Government's Code of Conduct.	0
The number of complaints made to the Ombudsman, and notified to the Local Government during the year about decisions made by the Local Government in relation to enforcement of its Code of Conduct.	66

## Queensland Competition Authority Investigation Notices

### S534 (1) (m)

Zero investigation notices were received by Council from the Queensland Competition Authority in relation to complaints and references.

## Changes to Tenders

### S534 (1) (b)

No changes have been made to s488 (2) of the *Local Government Act* in the last Financial Year.

## International Travel Statistics – 16 March 2008 to 30 June 2009

### LGFS s24 LGA 1993

	Reason	Date	Amount (Ex GST)	Destination
His Worship the Mayor Councillor B N Carter	By invitation from Minister of State (Defence), Professor Koo Tsai Kee	6 August 2008 – 12 August 2008	\$156.69*	Singapore
Councillor G M Mather	By invitation from Minister of State (Defence), Professor Koo Tsai Kee	6 August 2008 – 12 August 2008	\$425.46*	Singapore
Councillor S M O'Brien	By invitation from Minister of State (Defence), Professor Koo Tsai Kee	6 August 2008 – 12 August 2008	\$425.46*	Singapore
James Martin, Manager Modern Burial Systems	Travel to USA to investigate research options and see demonstrations in relation to the Modern Burial System	6 September 2008 – 7 October 2008	\$10422.44	USA

\*Costs incurred were for expenses and one night's accommodation in Australia. Overseas Travel Costs incurred were paid by Singapore Government

## Resolutions During the Year in Which Council Invited Expressions of Interest

### S534 (1) (c)

- 1) Expression of Interest (EOI) 7224\_Sale, Lease, Management or Sub-Lease of the Gracemere Saleyards Complex:
  - EOI Resolved at Council 21 October 2008
  - Tender still being evaluated
- 2) Expression of Interest (EOI) LSC 006 / 2007/08 Yeppoon Landfill Stage 2B Construction Project:
  - EOI Resolved at Council 10 June 2008
  - Tender Resolved at Council 11 November 2008

## Assessment of Performance in Implementing Corporate and Operational Plans

### S533 LGA 1993

An Interim Corporate Plan was in place for the 2008/09 financial year which was prepared having regard for the issues, current and anticipated, and community needs of the existing plans and those over the early period of the reform. It outlined, in broad terms, the direction the Council needs to take in its governance of the city and the strategies that the organisation will adopt to achieve the stated vision for the Region and the Council, as an organisation.

The Interim Corporate Plan was developed with consideration of issues raised in the existing plans from the amalgamated Councils of Fitzroy, Livingstone, Mount Morgan Shire Councils and Rockhampton City Council.

This Interim Corporate Plan, whilst being compliant with the *Local Government Act* acted as an interim plan until the new Council had time to undertake the full planning process and cycle itself.

This Interim Corporate Plan was endorsed by resolution of the Rockhampton Regional Council Local Transition Committee on 28 February 2008.

An Operational Plan was not developed during this period of the Interim Corporate Plan.



# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Registers Open to Inspection

### S534 (1) (d)

General documents held by Council and available for inspection for no fee by the public include the following:

- Minutes of Council Meetings
- Delegation Registers
- Local Laws and Subordinate Local Laws
- Staff Code of Conduct
- Councillor's Code of Conduct
- Annual Report
- Annual Financial Statements
- EEO Management Plan
- Returns of the Interests of Councillors and Designated Persons
- Road Register
- Building Register
- Town Planning and Planning Documents
- Register of Notices - Building
- Food Premises Register
- Food Vehicles Register
- Standing Stalls Register
- Caravan Park Register
- Flammable & Combustible Liquids Register
- EPA Summary Register
- Contaminated Land Register
- Impounded Animals Register
- Revenue Policy
- Promotional Brochure
- Community Directory
- Register of Accreditations and Complaints
- Register of Regulatory Fees
- Annual Budget
- Corporate Plan & Operational Plan
- Asset Register

## Area of Reserve Land

### LGFS S25 (a)

Rockhampton Regional Council has control of 6683ha area of reserve land.

## Length of Roads Not Owned by Council

### LGFS S25 (b)

There is a total of 3445 km not owned by Council.

## Equal Employment Opportunity

### S534 (1) (i)

534 (i) a statement including the information prescribed under a regulation about its activities during the year to implement its plan for equal opportunity in employment;

Regulation - 59

For section 534(1) (i) of the Act, the following information is prescribed-

(a) statistics for at least the last 3 years about the number of employees who are members of the target groups and the salary stream and level of the employees;  
Rockhampton Regional Council is a new entity commencing in March 2008 and therefore has no prior accurate information about the statistics of target groups. The figures below are also a best estimate, as staff have been asked to volunteer their affiliation with the target groups rather than making it a mandatory requirement.

Female	416
Aboriginal	22
Torres Strait Islander	4
South Sea Islander	13
NESB	9
Disability	6

Bouldercombe  
Rockyview Frenchville  
Rockyard Point Allens  
Summermoor Zillie Mulla  
Gardens Gracemere Cawar  
Palma Glendale Mount Archer  
Kangaroo Stange Port Curtis Po  
Glenroy Lake Glenroy Kinka Beach Oli  
Oil Parkhurst Marmor Keppel Sands Moong  
Kabra Nerimbera Wandal Kalapa Glenlee Lak  
Marmorborough Depot Hill Alton Downs Ogmore The Ra  
Yumba Great Keppel Nine Mile Mt Chalmers Morinish Ca  
Marmor Morgan Nerimbera Upper Ullam Emu Park Struck Oil Parkhurs  
West Rocky Stanwell Coowonga Baree Park Avenue Kabra Nerimb  
Westwood Yumba Berserker Garnant Milman Koongal Ridgelands Marlborough Depot Hill  
Midgee Byfield Bushley Bangalee Pink Lilly The Caves South Yamba Great Keppel Nine Mile

# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Equal Employment Opportunity (continued)

Number of Females	Level	Award Type	Target Group Number where Provided
9	Contract	Local Government Officers Award	1 of these is NESB
10	Registered Nurse	Nursing Award	No Targets Met
13	Unqualified to Director	Child Care Workers Award	1 of these identifies as Aboriginal and Torres Strait Islander, 1 of these is NESB
29	Level 1	Local Government Officers Award	1 identified Torres Strait Islander and 1 identified with a Disability
94	Level 2	Local Government Officers Award	1 identified as Aboriginal and South Sea Islander, 1 South Sea Islander, 1 NESB
84	Level 3	Local Government Officers Award	1 identified as Disability
10	Level 4	Local Government Officers Award	\$55,239.48 (Base Rate)
38	Level 4	Local Government Officers Award	No Targets Met
41	Level 5	Local Government Officers Award	1 South Sea Islander
14	Level 6	Local Government Officers Award	No Targets Met
8	Level 7	Local Government Officers Award	No Targets Met
5	8	Local Government Officers Award	No Targets Met
3	Assistant Theatre Technician	Casual Theatrical Agreement	No Targets Met
10	Level 4	Local Government Employees Award	1 South Sea Islander
1	Level 5	Local Government Employees Award	No Targets Met
1	Level 6	Local Government Employees Award	No Targets Met
24	Level 1 < 6 mths	Local Government Employees Award	No Targets Met
11	Level 1 – 6	Local Government Employees Award	No Targets Met
3	Ticket Sellers	Theatrical Agreement	No Targets Met
4	Trainees	Local Government Officers Award	No Targets Met
3	Venues & Events Employee - Level 2	Local Government Employees Award	No Targets Met
1	Venues & Events Employee - Level 4	Local Government Employees Award	No Targets Met

(b) information about consultation with the following groups and the outcome of the consultation—

(i) trade unions that have members who are, or will be, affected by the EEO management plan;

(ii) the Local Government's employees, particularly employees who are members of the target groups;

- Council has implemented a Joint Consultative Group (JCC) as part of its Enterprise Bargaining Agreement that represents the interests of employees and unions. The EEO Management Plan and EEO Policy were presented to this group for comment prior to implementation. The feedback received was very supportive and positive for the implementation of the plan with limited changes requested.

- All staff were advised of the existence of the plan through the staff newsletter and intranet and were invited to provide feedback or comment. It remains that staff have the opportunity to comment on any Council policy or process either through their Supervisor, via the CEO Hotline or via the JCC.

- The plan was also presented to Community Groups in conjunction with other EEO initiatives and it was very well received. Council was commended for its proactive approach to managing EEO issues.

(c) information about activities undertaken by the Local Government during the past year to eliminate unlawful discrimination against, or harassment of, the Local Government's employees;

- Council introduced an innovative training program during 2009 to ensure all Council staff were committed to the principles of Anti-Discrimination and Anti-Harassment and Bullying. This program was called Zero Tolerance. The format of the training sees the Managers and Supervisors taking responsibility for training staff in the principles rather than an external party or one department conducting this task. The result has been an increase in ownership of Anti-Discrimination and Anti-Harassment practices which will lead to a decline or elimination in incidents of discrimination or harassment.

# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Equal Employment Opportunity (continued)

- All Council HR and Safety Policies have been reviewed for any forms of discriminatory practice or wording and it is pleasing that none was found, demonstrating Council's ongoing commitment to Anti-Discrimination.
  - Council's Corporate Induction has been reviewed and the content regarding EEO, Anti-Discrimination and Anti-Harassment has been updated with contemporary themes. All staff and contractors must undertake an induction prior to commencing work with Rockhampton Regional Council.
  - A new policy called the Indigenous and South Sea Islander Employment Policy has been created and endorsed by Council. This emphasises the commitment provided within the EEO Management Plan.
  - Council has included in our Senior HR Coordinator's role, the responsibility of ensuring Council adheres to our EEO commitments and requirements.
  - All Council recruitment advertisements demonstrate our commitment to being an Equal Opportunity Employer.
  - Council's selection processes have been reviewed and simplified in order to ensure the greatest possible opportunity for candidates with limited literacy or educational background to apply for positions.
  - Contact Officers have been appointed throughout Council and trained in Anti-Discrimination and Anti-Harassment policies, principles and processes to ensure all staff have access to advice and assistance if they are feeling aggrieved.
- (d) information about the Local Government's forward plan for implementing its EEO management plan for the next financial year;
- Involvement with Employment Groups to provide work experience opportunities for disadvantaged or long term unemployed people.
  - Cultural training for all Council staff not only on indigenous issues but other multi-cultural impacts on our community.
  - Training and Development opportunities for all staff.
  - Review of any grievances to identify causes and rectification action to be taken.
  - Review of Council's culture to identify preferred corporate culture implement action to obtain.
  - Investigation of options for staff to work flexibly including telecommuting, job share and transition into retirement.
- (e) information about any other activities undertaken by the Local Government to create a positive work environment for the Local Government's employees.
- Comprehensive Training and Development plans are being developed for all Council staff;
- MAD Awards – recognition of special effort by Council staff for providing superior service or innovation in their daily work.
  - Health and Wellbeing program - \$100 payment for a health and wellbeing activity provided to all Council staff.
  - Provision of an Employee Assistance Program Service for Council staff and members of their immediate household.
  - Superior EBA Provisions – 14 weeks paid maternity leave; 2 weeks paid paternity leave; 5 days bereavement leave; Annualised Allowances.

## Special Rates and Charges

### \$534 (1) (a)

#### Rural Fire Services Levy

Pursuant to Section 128A of the *Fire and Rescue Service Act 1990* and Section 971 of the *Local Government Act 1993* Council make and levy a special charge for the purpose of raising revenue for each Rural Fire Brigade as set out in the table below:

Rural Fire Brigade	Levy 2008/2009
Alton Downs	\$ 20.00
Archer Ulam	\$ 10.00
Bajool	\$ 20.00
Bouldercombe	\$ 20.00
Dalma	\$ 10.00
Faraday	\$ 10.00
Gogango	\$ 25.00
Calliungal	\$ 50.00
Adelaide Park Road	\$ 50.00
Barmoya	\$ 20.00
Belmont	\$ 25.00
Bondoola	\$ 25.00
Bungundarra	\$ 25.00
Byfield	\$ 25.00
Canal Creek	-
Canoona	-
Cawarral	\$ 60.00
Cooberrie	\$ 25.00
Coowonga	\$ 25.00
Great Keppel Island	-
Hidden Valley	-
Jardine	-
Keppel Sands	\$ 60.00
Gracemere	\$ 20.00
Kalapa	\$ 20.00
Marmor	\$ 30.00
Mornish	\$ 20.00
Stanwell	\$ 20.00
Westwood	\$ 20.00
Kunwarara	-
Marlborough	\$ 15.00
Maryvale	\$ 40.00
Mt Gardiner	-
Nankin	\$ 100.00
Nerimbera	\$ 50.00
Ogmore	-
Rossmoya	\$ 35.00
Stanage Bay	\$ 30.00
Stockyard Point	\$ 40.00
Tanby	\$ 50.00
The Caves	\$ 40.00
Wattlebank	-
Woodbury	\$ 40.00

# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Special Rates and Charges (continued)

### Rural Fire Services Levy

The overall plan was to fund the provision of fire prevention and fire fighting services, facilities and activities by the rural fire brigades identified in the special charge table in the defined benefit areas.

The estimated cost of implementing the overall plan (being the cost of planned works and replacement of capital items for 2008/09) is \$155,000.

### Mt Morgan Sewerage Scheme

Pursuant to Section 971 of the *Local Government Act 1993*, Council make and levy a special charge for the provision of reticulated sewerage to the township of Mt Morgan.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled 'Mt Morgan Sewerage Scheme Stage 2'.

The service facility or activity for which the special charge is made is the construction and commissioning of sewerage infrastructure. Council's overall plan is to construct and commission, by 30 June 2009, the infrastructure necessary for providing reticulated sewerage to Mt Morgan.

The estimated cost of implementing the overall plan is \$950,000 (being the cost of infrastructure constructed).

The charge is expected to reimburse Council \$108,000 of the funds expended on the project. Council funded the cost of construction of the sewerage reticulation infrastructure from its own revenue sources. The estimated time for implementing the overall plan is one (1) year commencing from 1 July 2008.

The annual implementation plan in 2008/2009 comprises construction of a sewerage infrastructure, namely sewerage reticulation to allow the removal of waste water from each property.

Council is of the opinion that the occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because:

They will enjoy access to an efficient, convenient and healthy system for the removal and treatment of sewerage, which access would not have occurred if Council had not undertaken the project of constructing the sewerage reticulation infrastructure.

The charge rate shall be \$143.00 per Sewerage Charge Unit.

Mt Morgan Sewerage Scheme Stage 2 – Sewerage Charge Units

Description	Units
Vacant Land	2
House/Building for Public Worship/Halls	4
1 & 2 Allotment Business	4
Ambulance, Fire Brigade & 3 and Over Allotment Business	8
Hotels	20
Preschool/Child Care Centre	26
St Mary's Village	44
John Cani Hostel & Church Complex	106
State Schools	112
Hospital	300

### East Street Redevelopment Stage 1

Pursuant to Section 971 of the *Local Government Act 1993*, Council make and levy a special rate to fund the first stage redevelopment of the East Street Mall Rockhampton.

The rateable land to which the rate applies is every parcel of rateable land within the areas separately described on a map titled 'East Street Redevelopment Stage 1 Special Rate Area'. The special rate of 2.194 cents in the dollar of unimproved valuation will be charged to all rateable land within the yellow shaded area on the Map.

The service facility or activity for which the special rate is made is for the funding of construction of improvements to the East Street Mall. The construction was completed 30 June 2000 and there are no further works to be undertaken. Council funded the construction from its own revenue sources and the special rate proceeds will reimburse the total cost of construction over ten (10) years commencing from 1 July 1999.

The estimated cost of implementing the overall plan is \$3,500,000 (being the cost of infrastructure constructed).

The rate is expected to raise \$223,007 of the funds expended on the project. Council funded the cost of construction of the East Street Mall Redevelopment from its own revenue sources. The estimated time for implementing the overall plan is ten (10) years commencing from 1 July 1999.

The annual implementation plan in 2008/09 comprises reimbursement to Council of part of the cost that it has incurred to construct the East Street Mall Redevelopment.

Council is of the opinion that the occupier of the land to be levied with the special rate has specially benefited, or will specially benefit, from the implementation of the overall plan, comprising repayment to the Council of the cost of provision of the East Street Mall Redevelopment because:

The occupier of the land to be levied will benefit from having access to services and facilities fronting the properties which have been enhanced to a standard that significantly exceeds the normal standards. The properties have improved vehicular access, exposure to passing trade and the marketability and potential future land values are enhanced.

### East Street Redevelopment Stage 2

Pursuant to Section 971 of the *Local Government Act 1993*, Council make and levy a special rate to fund the second stage of the redevelopment of the East Street Mall Rockhampton.

The rateable land to which the rate applies is every parcel of rateable land within the areas separately described on a map titled 'East Street Redevelopment Stage 2 Special Rate Area'. The special rate of 1.699 cents in the dollar of unimproved valuation will be charged to all rateable land within the green shaded area on the Map.

The service facility or activity for which the special rate is made is for the funding of construction of improvements to the East Street Mall. The construction was completed 30 June 2004 and there are no further works to be undertaken. Council funded the construction from its own revenue sources and the special rate proceeds will reimburse the total cost of construction over ten (10) years commencing from 1 July 2003.



# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

The estimated cost of implementing the overall plan is \$2,500,000 (being the cost of infrastructure constructed).

The rate is expected to raise \$97,797 of the funds expended on the project. Council funded the cost of construction of the East Street Mall Redevelopment from its own revenue sources. The estimated time for implementing the overall plan is ten (10) years commencing from 1 July 2003.

The annual implementation plan in 2008/09 comprises reimbursement to Council of part of the cost that it has incurred to construct the East Street Mall Redevelopment.

Council is of the opinion that the occupier of the land to be levied with the special rate has specially benefited, or will specially benefit, from the implementation of the overall plan, comprising repayment to the Council of the cost of provision of the East Street Mall Redevelopment because:

The occupier of the land to be levied will benefit from having access to services and facilities fronting the properties which have been enhanced to a standard that significantly exceeds the normal standards. The properties have improved vehicular access, exposure to passing trade and the marketability and potential future land values are enhanced.

## Bangalee Water Supply Special Charge

Pursuant to Section 971 of the *Local Government Act 1993*, Council will make and levy a special charge for the provision of reticulated potable water supply to the township/area of Bangalee.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled 'Bangalee Water Supply Scheme'.

The service facility or activity for which the special charge is made is for the funding of construction of water supply infrastructure. The construction was completed 30 June 2003 and there are no further works to be undertaken. Council funded the construction from its own revenue sources and the special charge proceeds will reimburse the total cost of construction over ten (10) years commencing from 1 July 2003.

The estimated cost of implementing the overall plan is \$652,080 (being the cost of infrastructure constructed at \$6,270 per parcel).

The charge is expected to raise \$64,604.80 (\$621.20 per parcel) of the funds expended on the project. Council funded the cost of construction of the water supply infrastructure from its own revenue sources. The estimated time for implementing the overall plan is ten (10) years commencing from 1 July 2003.

The funds which have been raised per parcel to date:

2003-2004	\$679.00
2004-2005	\$621.20
2005-2006	\$621.20
2006-2007	\$621.20
2007-2008	\$621.20

The annual implementation plan in 2008/09 comprises reimbursement to Council of part of the cost that it has incurred to construct the water supply infrastructure.

Council is of the opinion that the occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, comprising repayment to the Council of the cost of provision of water supply infrastructure because:

The occupier of the land to be levied will benefit from having access to the supply of a reliable potable water supply, which access to supply would not have occurred if Council had not spent its own funds to construct the water supply infrastructure.

## Nerimbera Water Supply Special Charge A

Pursuant to Section 971 of the *Local Government Act 1993*, Council make and levy a special charge for the provision of a reticulated potable water supply to the township of Nerimbera.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled 'Nerimbera Water Supply Charge A'.

The service facility or activity for which the special charge is made is for the funding of construction of water supply infrastructure. The construction was completed 31 December 2004 and there are no further works to be undertaken. Council funded the construction from its own revenue sources and the special charge proceeds will reimburse the total cost of construction over ten (10) years commencing from 1 January 2005.

The estimated cost of implementing the overall plan is \$442,500 (being the cost of infrastructure constructed at \$7,500 per parcel).

The charge is expected to raise \$44,250 (\$750 per parcel) of the funds expended on the project. Council funded the cost of construction of the water supply infrastructure from its own revenue sources. The estimated time for implementing the overall plan is ten (10) years commencing from 1 January 2005.

The funds which have been raised per parcel to date:

2003-2004	\$375.00
2004-2005	\$750.00
2005-2006	\$750.00
2006-2007	\$750.00
2007-2008	\$750.00

The annual implementation plan in 2008/09 comprises reimbursement to Council of part of the cost that it has incurred to construct the water supply infrastructure.

Council is of the opinion that the occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, comprising repayment to the Council of the cost of provision of water supply infrastructure because:

The occupier of the land to be levied will benefit from having access to the supply of a reliable potable water supply, which access to supply would not have occurred if Council had not spent its own funds to construct the water supply infrastructure.

An exemption from the Special Charge will apply to those lands connected prior to the commencement of this water supply scheme.

# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Nerimbera Water Supply Special Charge B

Pursuant to Section 971 of the *Local Government Act 1993*, Council make and levy a special charge for the provision of a reticulated potable water supply to the township of Nerimbera.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled 'Nerimbera Water Supply Charge B'.

The service facility or activity for which the special charge is made is for the provision of water supply infrastructure. The construction was completed 31 December 2004 and there are no further works to be undertaken. Council funded the construction from its own revenue sources and the special charge proceeds will reimburse the total cost of construction over ten (10) years commencing from 1 January 2005.

The estimated cost of implementing the overall plan is \$12,500 (being the cost of infrastructure constructed at \$2,500 per parcel).

The charge is expected to raise \$1,000 (\$250 per parcel) of the funds expended on the project. Council funded the construction of the water supply infrastructure from its own revenue sources. The estimated time for implementing the overall plan is ten (10) years commencing from 1 January 2005.

The funds which have been raised per parcel to date:-

2003-2004	\$125.00
2004-2005	\$250.00
2005-2006	\$250.00
2006-2007	\$250.00
2007-2008	\$250.00

The annual implementation plan in 2008/09 comprises reimbursement to Council of part of the cost that it has incurred to construct the water supply infrastructure.

Council is of the opinion that the occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, comprising repayment of the cost of provision of water supply infrastructure because:

The occupier of the land to be levied will benefit from having access to the supply of a reliable potable water supply, which access to supply would not have occurred if Council had not spent its own funds to construct the water supply infrastructure.

An exemption from the Special Charge will apply to those lands connected prior to the commencement of this water supply scheme.

## Summary of Rebates and Concessions Allowed in Relation to Rates

### S534 (1) (e)

#### Pensioner Subsidy

Council provided a subsidy (upon the same terms and conditions as the Queensland Government Pensioner Rate Subsidy Scheme of 20%, to a maximum of \$200) on all rates levied in respect of each eligible property, excluding special rates/charges and rural and state fire levies/charges.

In addition, a person in receipt of a Widow's Allowance was also entitled to a subsidy of 20% (to a maximum of \$200) on all rates levied in respect of the property the person owns and occupies, excluding special rates/charges and rural and state fire levies/charges.

#### Permit to Occupy – Separate Charges

Council granted a remission of all Separate Charges in all former Local Government locations on those assessments that only contain a permit to occupy for pump sites provided the ratepayer as shown on the assessment is the owner of another property in the Council area on which the Separate Charges were levied.

#### Permit to Occupy – General Rates

Council granted a remission of up to \$603.00 in general rates for properties of the former Fitzroy Shire Council on those assessments that only contain a permit to occupy for pump sites provided the ratepayer as shown on the assessment was the owner of another property in the Council area on which General Rates have been levied.

#### Sporting Clubs and Associations

Council granted varied levels of remissions to charitable and other Non-Profit and Charitable Community Groups, including non-profit Sporting Bodies, in accordance with the provisions policies adopted by the former Local Governments. The policies of the former Local Governments will remain in place in the former geographic areas until such time as a new Regional policy is established.

In this section, 'former Local Government' is a reference to a Local Government or entity that has merged to form Rockhampton Regional Council.

# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Borrowings Policy

### LGFS S23 (2) (a)

#### Scope

This Policy applies to the use of loan borrowings to fund infrastructure and other important capital projects.

#### Purpose

To provide Council with a contemporary borrowings policy that provides for responsible financial management on the loan funding of infrastructure capital projects by ensuring the level of Council indebtedness is within acceptable limits to Council, its ratepayers and interested external parties.

#### Context

As a general principle, Council recognises that loan borrowings for capital works are an important funding source for Local Government and that the full cost of infrastructure should not be borne entirely by present-day ratepayers, but be contributed to by future ratepayers who will also benefit. Whilst recognising the importance of loan borrowings, Council should not place undue reliance upon loans as a source of income.

Council will restrict all borrowings to expenditure on identified capital projects that are considered by Council to be of the highest priority and which cannot be funded from revenue, as identified by the adopted budget. Under no circumstances should Council borrow funds for recurrent expenditure.

The basis for determination of the utilisation of loan funds will be as follows:

- Where a capital project for a service that is funded by utility or user charges eg. water, sewer, waste, is determined to be funded by way of loans, the user charge should reflect the cost of providing the service including the loan servicing costs.
- Other specific capital projects, not funded by user charges, should only be considered for loan funding where the project is considered by Council to be of long term benefit to the majority of ratepayers.
- The term of any loan should not exceed the expected life of the asset being funded.

#### Five Year Loan Programme Forecast

Council utilises loan borrowings to fund major capital and infrastructure works so that repayments are spread over the years to which the Capital Works will be utilised by ratepayers. The Borrowing Policy deals with the following areas:

- Five Year Loan Programme Forecast
- Repayment Schedule

The following five year programme is proposed by Council, although allocations in future years are revised on an annual basis in conjunction with the review of its short and long term budgets:

**Table (1) - New Borrowings by Fund/Function**

Project	2008/2009	
	Term (Years)	Loan
<b>Loans</b>		
Water & Sewerage Projects	20	23,068,000
Waste Projects	5-20	7,508,000
Other Projects (General Functions)	5-20	26,103,000
<b>TOTAL</b>		<b>56,679,000</b>

**Table (2) - Projected Borrowings Future Budgets**

Project	2009/10	2010/11	2011/12	2012/13
New Loans	34,043,000	15,043,000	10,685,000	5,764,000

#### Repayment Schedule

The loan portfolio of Council is raised solely with the Queensland Treasury Corporation. The Queensland Treasury Corporation maintains Council debt as the Book Debt plus a market provision, to market value the total liability outstanding. The provision is principally a result of past movements in the Market Value of the liabilities within each Debt Pool. If the Council was to liquidate this debt it would be required to pay the Market Value of the loan portfolio. The portfolio has been dissected so that loan borrowings in relation to Water, Sewerage and Waste Infrastructure are maintained in separate accounts to more accurately reflect the cost of the provision of this infrastructure. This approach is needed otherwise the loan term is amalgamated and the average term for repayments lengthens. It is proposed that Council consider maintaining a repayment schedule consistent with an interest and principal repayment calculation so that the exposure to interest rate fluctuations are minimised. The Budgeted Loan Portfolio of Council for 2008/09 is as follows:

**Table (3) - Budget Interest and Redemption by Fund/Function**

For The Year to 30 June 2009

	A	B	C	D	E - (A - C + D)
Function Description	Est Book Debt Balance 30/06/2008	QTC Admin & Interest	QTC Redemption	New Advances	Est Book Debt Balance 30/06/2009
Water & Sewerage Functions	44,558,431	2,512,172	2,960,243	23,068,050	64,666,238
Waste Functions	5,956,161	405,324	267,525	7,508,000	13,196,636
General Functions	51,462,586	3,054,176	5,262,732	26,103,111	72,302,965
<b>Total All Funds</b>	<b>101,977,178</b>	<b>5,971,672</b>	<b>8,490,500</b>	<b>56,679,161</b>	<b>150,165,839</b>



# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Expenses Reimbursement Policy

### S534 (1) (ea)

#### Scope

This Policy provides for:

- Payment of expenses incurred, or to be incurred, by the Councillors in the course of discharging their duties and responsibilities as Councillors; and
- The provision of facilities to the Councillors for that purpose.

This Policy does not provide for salaries or other form of Councillor remuneration (refer Local Government Remuneration Tribunal Report 2008).

#### Purpose

The purpose of this Policy is to:

- Ensure compliance with community expectations and statutory requirements relating to the payment or reimbursement of legitimate expenses and provision of facilities for Councillors while carrying out their duties and responsibilities as elected representatives of the Rockhampton Regional Council; and
- Ensure that all Councillors have the facilities and other support necessary to perform their civic duties.

#### Context

The payment and/or reimbursement of expenses and provision of facilities for Councillors must only be for the actual cost of legitimate business use and only in accordance with the *Local Government Act 1993* (LGA) and the Guidelines for Councils: Reimbursement of Expenses and Provision of Facilities for Mayors and Councillors (Guidelines) issued by the Chief Executive of the Department of Local Government, Sport and Recreation.

Council is committed to ensuring that Councillors are provided with the facilities required to enable them to perform their duties. Councillors should not be financially disadvantaged when carrying out the requirements of the role of Councillor and should be fairly and reasonably compensated in accordance with statutory requirements and community expectations.

The payment and/or reimbursement of expenses and provision of facilities for Councillors:

- is to be open and transparent, prudent, responsible, acceptable to the community and in accordance with statutory requirements;
- based on ensuring economy and efficiency; and
- subject to budget provisions. Council's annual report must contain the information as stipulated in the *Local Government Act*.

Spouses, partners and family members of Councillors are not entitled to reimbursement of expenses or to have access to facilities allocated to Councillors.

For details about entitlements in regard to the payment or reimbursement of Councillor expenses and the provision of facilities for Councillors, refer to Attachment A: Guidelines for Councillor Expenses and Facilities.

Failure to comply with this policy or misappropriation of expenses or facilities may be a breach of the Councillor Code of Conduct and/or an offence under the Criminal Code 1899.

#### Principles

The following four principles underpin and provide a context and framework for Local Governments developing their own expenses policies:

1. Use of public moneys in the public interest by responsible budgeting and accounting;
2. Fair and reasonable allocation of Council resources (allowances, facilities and other benefits) to enable all Councillors to conduct the duties of their office;
3. Transparent decision making by public disclosure of policy and resolutions; and
4. Accountability for expenditure and use of facilities through full justification and acquittal.

#### Policy Evaluation Process

Rockhampton Regional Council must provide for public accountability and transparency by:

- Disclosure of overseas travel details in Annual Report;
- Council reports on international travel activities;
- Resolutions made during the year authorising the payment or provision of remuneration;
- Including expenses paid or facilities provided, to Councillors or members of committees of the Local Government; and
- Particulars of the total remuneration paid or provided, including expenses paid or facilities provided, to each Councillor during the year and the total superannuation contributions paid for each Councillor during the year.



# Information Required Under the Act

For the period 15 March 2008 to 30 June 2009

## Summary of Expenditure

LGFS S24 (i, ii, iii)

	Total	Resourcing	Governance	Corporate Services	Planning Compliance and Environment	Infrastructure Services	Community & Customer Service	Business Enterprise	Airports	Saleyards	Waste & Recycling	Fitzroy River Water
Consultants	\$6,515,602	-	\$523,267	\$2,072,336	\$1,044,093	\$670,378	\$493,938	\$203,982	\$59,356	\$25,403	\$257,527	\$1,165,323
Entertainment and Hospitality	\$215,908	-	\$132,458	\$16,225	\$10,336	\$3,097	\$30,769	-	\$500	-	\$30	\$22,493
Advertising	\$1,196,588	-	\$88,143	\$479,487	\$81,290	\$26,540	\$316,249	\$2,638	\$45,183	\$23,420	\$3,673	\$129,966

## Grants to Community Organisations

### LGFS S24 (iv)

135 community organisations received a total of \$541,191.38 in grants.

## Annual Statement on Operations of Commercial Business Unit

### Fitzroy River Water

#### Nature and Scope of Activities

Fitzroy River Water is responsible for the operation and maintenance of water and sewerage assets totalling approximately \$817M (replacement value).

General functions of these assets include the storage and supply of raw water for urban, commercial and agricultural purposes, treating and distributing potable water and the collection, treatment and discharge of treated effluent and reuse where appropriate.

Broadly, the scope of Fitzroy River Water (based upon 2008/09 year) is as follows:

Total Income	approximately \$53.3M
Total Expenses	approximately \$52.4M
Total Equity	\$255.7M
Number of staff	232 staff (full time)
Properties served – Water	38,215
Properties served – Sewerage	32,308
Water Treated	20767.7ML
Sewage Treated	8072ML
Barrage	1
Dams	3
Water Treatment Plants	3
Sewerage Treatment Plants	7
Water Mains (including common services and property services)	1256.9km
Water Reservoirs	37
Water Pumping Stations and Bores	64
Sewer Mains	916.3km
Sewerage Pumping Stations	91

Bajool Yeppoon Mount Morgan Nerimbera Upper Ullam Emu Park St  
Oil Parkhurst Marmor Keppel Sands Moongan Norman Gardens Grac  
Cawarral Walmul Kawana Bouldercombe Joskeleigh Walter Hall We  
Stanwell Coowonga Baree Park Avenue Kabra Nerimberra Wandal Ka  
Glenlee Lakes Creek Dalma Glendale Mount Archer Gogango Rockyv  
Frenchville Westwood Yaamba Berserker Garnant Milman Koongal R  
Marlborough Depot Hill Alton Downs Ogmores The Range Wycarba  
Stanage Port Curtis Port Alma Stockyard Point Allenstown Midgee  
Bushley Bangalee Pink Lilly The Caves South Yaamba Great Keppel  
Mt Chalmers Morinish Causeway Lake Glenroy Kinka Beach Olive Es  
Lammermoor Zilzie Mulambin Beach Cooe Bay Roslyn Bay Tanby B  
Yeppoon Nerimbera Parkhurst Marmor Keppel Sands Moongan Norm  
Gardens Gracemere Cawarral Walmul Kawana Bouldercombe Joskele  
Walter Hall West Rocky Stanwell Coowonga Baree Park Avenue Ka  
Nerimberra Wandal Kalapa Glenlee Lakes Creek Dalma Glendale Moun  
Archer Gogango Rockyview Frenchville Westwood Yaamba Berserker  
Milman Koongal Depot Hill Alton Downs Ogmores The Range Wycarb  
Stanage Port Curtis Port Alma Stockyard Point Allenstown Midgee  
Bushley Bangalee Pink Lilly The Caves South Yaamba Great Keppel  
Mile Mt Chalmers Morinish Causeway Lake Glenroy Kinka Beach Ol  
Estate Lammermoor Zilzie Mulambin Beach Cooe Bay Roslyn Bay  
Bajool Yeppoon Mount Morgan Nerimbera Upper Ullam Emu Park St  
Oil Parkhurst Marmor Keppel Sands Moongan Norman Gardens Grac  
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